













**THE  
LIBRARY OF BUSINESS  
PRACTICE**

**VOLUME IV**



# THE LIBRARY OF BUSINESS PRACTICE

VOLUME IV

SALESMANSHIP AND SALES  
MANAGEMENT



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PRACTICE**  
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# SALESMANSHIP AND SALES MANAGEMENT

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# PART I—MARKETING PROBLEMS AND THE SELLING PLAN

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## *Contact and Confidence*

**T**HE whole business world rests on a foundation of confidence. When confidence is gone, business is gone.

Individual salesmanship depends upon confidence as much as any other transaction in business. If a man has confidence in you and in your goods, you can sell him. You cannot make many sales where confidence is lacking.

If your prospect lacks confidence in you, then your entire efforts must go to building up in his mind a feeling of confidence.

Lack of confidence is usually due to ignorance. Unless you know a man well, you haven't confidence in him. Unless you know a business house well, you haven't confidence in that house.

The greatest foe of ignorance is publicity. The saying that "publicity corrects all abuses" is a true one.

Without a doubt, the greatest force today in the interest of confidence—in the interest of credit, if you will—is advertising.





**HUGH CHALMERS**

*President, Chalmers Motor Company*

# I

## CARRYING CONVICTION TO THE BUYER

By George L. Louis

**I**N law, the burden of proof rests with the plaintiff. The plaintiff must bring the charge, and must sustain it. A conviction can only be determined upon the direct or circumstantial evidence that the plaintiff develops.

In business these same principles are involved, and we find parallel conditions. The seller, the plaintiff, enters specific charges against the buyer, the defendant. It is alleged that the defendant is not clothing himself with the smartest, most serviceable, and most economical apparel; or that he does not consume the most nourishing cereal, ham or syrup; or that because he does not buy Blank's furniture or pianos, he is not equipping his home to the best advantage.

But here the similarity between law and business stops abruptly. In law, the plaintiff must prove such serious allegations; in business, curiously, the seller-plaintiff turns to the buyer-defendant and climaxes his speech by saying: "Prove the charges against yourself! Do it now. Don't accept a substitute! Prove that our goods are what we claim!"

The result: the buyer who acts in the double capacity of defendant and jury, escapes conviction, because he is not convinced. The seller rests his case, with only half

his evidence in. He assumes that the buyer is straight-way going to some store, there to examine and buy the merchandise that will demonstrate to him (the buyer) that the seller's charges are well based and true.

Now is it any more logical or sane to shift the burden of proof upon the shoulders of the buyer in business than it would be to turn it upon the defendant in law? Should it be left to the buyer, who, by the very nature of things, is bound to be on the defensive, to prove the claims of the seller?

Yet the larger percentage of sellers, both wholesalers and retailers, throw this burden of proof on the buyers. But the notable success of many manufacturers, jobbers and dealers who are wisely assuming the burden of proof, is strong evidence that their plan is the better.

**B**UYING *puts confidence to the test—the seller guards his interests when he substantiates his claims and cheerfully assumes the burden of proof.*

Buying is nothing more than the climax of confidence. And how, I ask, can confidence be more easily, more decisively, more effectively and more permanently gained and held than when the seller substantiates his claims?

From the manufacturer's and jobber's viewpoint, what are the most effective burden-of-proof methods of approach to retailers and consumers? To determine the most practical and authoritative answer to this question, I made a thorough inquiry among quite a number of large manufacturers, and was given actual evidence in sales and profits that showed the result of the wrong and right methods in selling.

Sending out goods on consignment to the retailer places the burden of proof absolutely and entirely upon the manufacturer or jobber. But this is a practice ap-

plicable only in a limited number of cases because of its detrimental effect. The offer "return what you can't sell" throws the burden too hard upon the producer, and relieves the dealer of all responsibility. This method, it was found, so lessened the selling activity of the dealers and allowed such a free and unwarranted return of goods, that it is no longer favored and has been pretty well eliminated as a practical selling plan.

Some wholesalers have modified the consignment idea in a very successful way which still assumes the burden of proof. One manufacturer does it in this way: the goods ordered by the retailer are forwarded under the condition that all or part of the order may be returned and exchanged for other goods within a certain time limit. This holds the dealer rigidly to his original order; but if he finds that certain articles do not sell as readily as others, he can make exchanges for the better selling ones. This protects the wholesaler and does not tempt the retailer to relax his selling energies; and yet the burden of proof rests entirely with the producer.

A general guarantee which only pretends to assume the burden of proof is utterly ineffective. One manufacturer, in his trade journal advertising, makes this statement in striking bold face, underscored: "We guarantee that you will sell more of our furniture and make a bigger profit than on any other furniture you have handled. Send in an order for the table and chairs shown here, and you will quickly find this out." But inasmuch as no stipulation is made of what the producer will do if volume and profits do not show larger, the so-called guarantee gets but scant consideration.

A large jobbing house undertakes the burden of proof in a very tangible way. Attached to a letter sent to retailers is an order amounting to seventy-five dollars.

In part, the letter reads: "We are certain that you can dispose of the corsets shown on the attached order, both quickly and profitably. We are so sure of this that we are willing to invest some of our own money in proving it. If you will send in this order, we will run a series of four advertisements in your local paper for you; and supply you with striking window cards and helpful literature."

This appeal wins responses. Of course, the jobber plays safe with this order. In the first place, the letters are mailed only to small-town dealers where newspaper rates are rather low; secondly, these orders by mail, incurring only small selling expense, allow a good margin for advertising work. The offer to stand the advertising expense impresses the dealer with the fact that this jobber is pretty sure of his goods, or he would not be willing to spend his own money in exploiting them.

**G**ETTING behind your goods is a delicate undertaking  
—be careful to show your own confidence in them  
and still keep the dealer's selling interest.

Another concern, manufacturing toilet preparations, made this burden-of-proof offer to druggists: "If you will make a special window display of our goods for one week, advertise the various articles in your local newspaper for that time, have an attractive inside counter display and have your clerks draw special attention to these goods, we will guarantee that one-half of your order will be sold in that time, and will take back whatever remains, at your request."

This was practically a consignment, stimulating the druggist to sell the goods according to the conditions imposed. With such dealer activity back of the goods, the manufacturer felt reasonably confident that they would

sell quickly and in gratifying volume. Out of the thirteen hundred drug stores that gave orders, less than one-half of one per cent returned any goods.

To bear the burden of proof in selling for the retailer is always a delicate undertaking. Where it allows the return of goods with condition and removes the selling incentive of the merchant, it is more harmful than effective. But where the manufacturer or jobber can show in some tangible form, as in the instances given, his own confidence in his wares, and yet not lessen the dealer's selling interest, success usually results.

The burden of proof is ignored more flagrantly, and has been developed more successfully, in the wholesaler's appeal to the consumer. Here we find many crude efforts to shift the load to the buyer and a few splendid plans where the burden of proof is assumed by the maker. The manufacturer, and the consumer, with whom the sales are finally culminated via the retailer, are so far separated and so unknown to each other, that demonstration is quite necessary to facilitate sales and lessen selling cost.

"Let us prove it to you at our expense," forms the most powerful selling argument to the consumer. The most vivid and emphatic claims will not carry the force and conviction that this one sentence conveys. Even if the possible buyer does not bestir himself to have the proof made, the fact that such an offer is made gives him confidence in the goods. He will often buy on the strength of the proposal alone.

The guarantee has been developed in a most practical and convincing way by hosiery manufacturers. There are half a dozen or more concerns which issue dated guarantee slips with each pair of hose sold by the retailer. These guarantee tags permit the return of the hosiery to

the store in exchange for a new pair if they wear out or rip within a given time varying from three to six months. One company goes even further in bearing the burden of proof of its product. It boldly offers "If Blank-knit socks do not give you thorough, absolute and entire satisfaction, you can have your money back, or we will replace the socks free of charge." There is no time limit to the guarantee.

Shirt manufacturers, too, are gradually taking up the burden of proof in their selling campaigns. One house places this label in each shirt they sell through the retailer: "This fabric has been treated by our own special processes which double the average wear and make the colors laundry-proof. The dealer will give you back your money if it ever fades." One shirt company has even gone so far as to offer to buy back any shirt that fades at twenty-five cents more than the purchase price. This, however, is unnecessarily generous. To prove out his goods, the manufacturer need not go further than to tender the original purchase price. Too generous an offer creates doubt, instead of conviction.

Requiring a small payment, from one cent to ten cents, from the prospective buyer to defray part of the expense of the burden-of-proof free offer is only advisable for one purpose—to eliminate the curiosity seeker who does not intend to buy.

**R**ETAILERS assume the burden of proof by either cheerfully taking back goods or guaranteeing them, and it is for you to choose between these methods.

For the retailer, assumption of the burden of proof means either a broad guarantee or the taking back of purchases. There is a decided difference between the two methods. Although the guarantee may involve the

return of goods, the latter action does not necessarily bring the guarantee into play. The return of goods, under certain necessary restrictions, is the highest type of the burden-of-proof selling in the retail realm. The guarantee must, by the very nature of its mission, be a more or less conditional offer.

The general statement "We guarantee absolute satisfaction" allows two interpretations, the dealer's and the buyer's. "We guarantee our garments to give satisfaction until worn out," is the appeal of a retailer of woman's apparel. But who is to judge when a garment is worn out?

Retailing on the instalment plan is a form of burden-of-proof selling which is convincing and effective. It is logical to reason that unless the seller has the utmost confidence in his wares, he would not dare to sell them on time payments.

One of the largest and most successful of retail stores has a well-defined policy on the guarantee and return of goods. It does not guarantee any of the merchandise that it sells. It holds that a retailer's guarantee can not be entirely sincere. Were it possible to give all the merchandise it handles preliminary tests, such as ordinary usage would involve, and if under such tests the merchandise should prove flawless, then, this store insists, it would apply the guarantee. But even an unconditional guarantee from the producer will not warrant reiteration to the final purchaser.

Should a flaw develop and the goods be returned under the guarantee, the managers believe that the store, not the manufacturer, will be held for the fault. Though the goods have been returned and the affair settled satisfactorily to the customer, the store has suffered in the opinion of this customer. Its guarantee, its binding



statement, has been found to be false. The conditions surrounding the wear or use of an article do not justify an unrestricted guarantee of satisfaction, because such a guarantee is at best speculative. And the guarantee that is in any way conditioned, does not serve its purpose. Instead of a guarantee, therefore, this store permits the return or exchange of unsatisfactory goods.

The decisive manner in which this concern undertakes the burden of proof was illustrated in the sale of an expensive vase recently. "It is guaranteed not to leak, of course?" the customer asked, assured of an affirmative answer. "No," replied the salesman, "we can not guarantee it." Surprised, the customer was about to cancel the order, when the clerk informed her that it could be returned if it did not prove entirely satisfactory.

This return privilege not only covers the guarantee without its detracting phases, but assumes the burden of proof far more definitely and decisively. In its advertisements a great London store has taken a similar stand on this point.

"No single transaction," this announcement ran, "is considered closed until the customer is completely satisfied. If it is not right, this store will make it so." Is it surprising that this establishment has gained the confidence of English buyers, despite its American origin and methods?



**THE biggest men in the world today are sellers. You may not know them as such. They may call themselves bankers, engineers, lawyers or ministers. In reality they are selling something; maybe their own or another's services. As they succeed so are they paid. The best salesman commands the highest price.**

—Edwin W. Moore

President, The Electric Cable Company

## II

# HOW TO CHOOSE AND DEVELOP A MARKET

By Charles E. Churchill

**I**T IS a favorite saying around a great Eastern plant, "If we are about to build a fifty thousand dollar addition to the factory, we call in the heads of all departments interested." In other words, they make an exhaustive study of the situation before even bringing an architect into consultation. They make a plan and arrange all the details in advance.

When the foundations are in, the workmen do not stop to inquire whether the walls are to be brick or frame; they refer to the plan. When the roof-boards are on, the workmen do not stop to inquire whether they shall use tile or slate, they refer to the plan. They rely on the plan to definitely locate even the smallest machine the extension is to house.

Many good factories have doubtless been built without plans. We know from experience, however, that such factories are not so conveniently laid out or so economically constructed as though a plan had been thought out in advance, point by point, item by item. And so, although great businesses have been built up without plans and specifications, they have been built up in spite of this fact and not because of it.

When you spend fifty thousand dollars on a selling campaign, do you have a plan? Some two or three

men design window displays. Do they fit into a plan? Perhaps not, but they are good windows! Some one man, or two, order ten thousand booklets. Do they conform to a plan? Not exactly, but they are well printed, beautifully illustrated, and will help sell goods!

Some one man, or two, or three, put out a line of posters, or showcards. Are they guided by the plan? No, but it is high art in posters and showcards, and cannot help increasing your sales! When the time draws near for magazine advertising, designs are submitted, carefully considered, and the best selected—all with reference to the plan? No, but they are designed by the best advertising agency in the United States, and must bring results!

**M**AKING *each item of your next selling campaign a component part of a comprehensive plan will not make it cost any more and may save you money.*

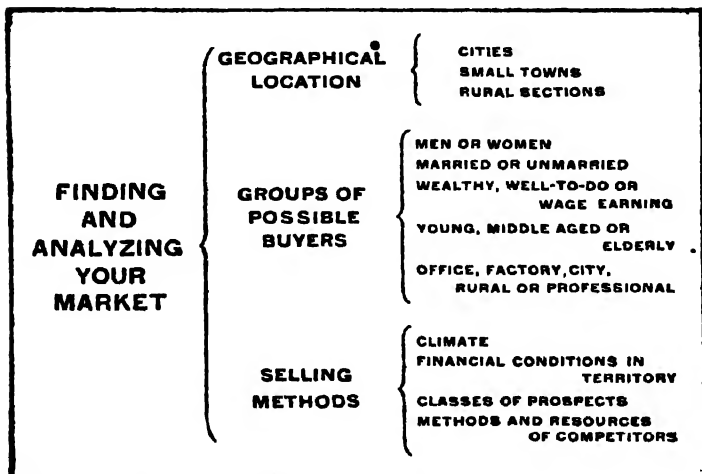
Manifestly, each item of the selling plan will cost no more because it is a component part of a plan. We must concede that a booklet, a poster, a showcard, a window display, a magazine or newspaper advertisement, which fits into a selling plan and performs its part, will accomplish more than if sent out to battle for trade by itself, alone and unsupported.

The selling end of any business is so big that it sinks the business or saves it. You can't sell unless your goods and your prices are right; and your season's product should not be made without consultation with the sales department—the men who are to sell the goods.

There are manufacturers who seem to go on the principle that it's the business of the sales end to sell what the factory prepares. This can often be done; but if you are working to a plan, all interested should be con-

sulted when the plan is made. I do not say that the selling plan should be completed before the goods, but I do say that the selling force should be consulted before the designs or models are complete, certainly before the goods are made.

There is an incalculable advantage to calling in the



*FIGURE 1: You will find that your sales campaign involves the three questions raised by this chart—where? when? and how? To make your plans fit your market, check them against the factors here suggested*

sales force early. It gives more time for the preparation of the selling campaign. Often and often the sales manager is advised of his new lines on "the last day in the afternoon." Then he is supposed to be able to make his plan, get out his literature, educate his salesmen, prepare their samples, and begin to harvest the orders on the first day of the season.

This is a survival, no doubt, of the exploded idea that a manufacturer's chief business is to produce goods—an echo of the days when the salesman fought his un-

supported battle in his territory and took for his reward the prize the house disregarded—the allegiance and confidence of the trade.

That so many sales campaigns thus launched are successful speaks volumes for the ability of the sales force. That they are successful, however, does not prove that the success might not have been larger or attained with less effort and at a greatly decreased cost, had ample time been given to the preparation of a complete selling plan, worked out with consideration for all the mediums which can be employed.

What are the separate elements of such a selling plan? They are:

- Geographical Location

- Groups of Possible Buyers

- Selling Methods

- Advertising

  - Magazines

  - Newspapers

  - House Organs

  - Posters, Outdoor Displays, Street Car and Show Cards

  - Circulars and Booklets

  - Sales Letters

- Window Displays

- Salesmen

With an old and established house having a comparatively thorough distribution, the elements of this selling plan could be put into operation in almost any sequence, or in fact, all at the same time. With a house having distribution less perfectly organized, those parts of the plan which will help it to cover its best territory should be used first. It is for you to determine what elements you can best use to advantage.

It largely depends upon the circumstances and the character of your product whether you shall enter the market simultaneously at widely scattered points and develop your sales campaign extensively, or whether you shall, during the first years, sell only in the home field near the factory and gradually extend this field, developing sales intensively. The extensive plan is preferable if your product is quite new and has no particular established demand in the home field. It requires more capital than gradual extension and is to a certain degree speculative. But with it you secure richer returns—the cream of the trade of a wide area. When the intensive plan is used, the buying spirit must be greatly stimulated at one point. It is possible to use a combination of the two methods.

**B**UYERS are divided into well defined classes—locate the groups to which your product will most strongly appeal before launching your sales campaign.

When planning the sales campaign it is essential that, besides the geographical location, you consider carefully the groups of buyers you intend to interest. It may be that you should center the campaign on unmarried people or young people. The wealthy, the well-to-do and the wage-earning classes must be approached in different ways and often with distinct products. The middle aged, the married and the elderly are best reached by plans fitted to their particular demands. The office, factory, city, rural and professional classes each have clearly defined demands which may at once set limits to your campaign.

Before the final signature of approval is written under the sales campaign plan, the financial conditions in the territory to be entered should have been carefully con-

sidered and the resources of competitors checked with your own funds. Rival methods must be compared with your plans in the hope of anticipating weaknesses and mistakes. Last of all, the climate to be encountered should be either capitalized or discounted, according to its predicted effect on your product.



**M**ANY years ago I conducted a general store in Connecticut. I made it a point to impress on my clerks that careful attendance and personal treatment must be accorded every visitor to that store no matter what the amount of a purchase or even if no purchase at all was made. I insisted that a customer who spent ten cents should be given just as close attention and as patient attendance as the customer who spent ten dollars; for very often the ten-cent customer of today develops into the buyer of the morrow whose every bill totals far more than that of the ten-dollar purchaser of the present. Now, the clerk who had that idea innately—who did not need to be told—was the man with personality. He was the employee who could attract customers and hold them.

—George H. Barbour

First Vice-President, Michigan Store Company

### III

## PLANNING NEXT YEAR'S SALES

By Melville W. Mix  
President, Dodge Manufacturing Company

**W**E ALL know that at the end of next year we can look back and figure up the total business we have done this year, the profit we have made. But we don't realize that the volume of next year's business, and especially the amount of next year's profits, depends on how accurately we are able to pre-judge the coming year's business, plan it and prepare for it. For years I have made it part of my organization work to plan next year's sales. Organization work, I say—for to accurately and effectively lay out the coming season's business requires that the organization and systems of the concern be such that they will adapt themselves to this purpose. Sales and factory organization, sales records and reports, cost systems and stock systems, selling methods and shop practice—must all do their share in making the look-ahead possible.

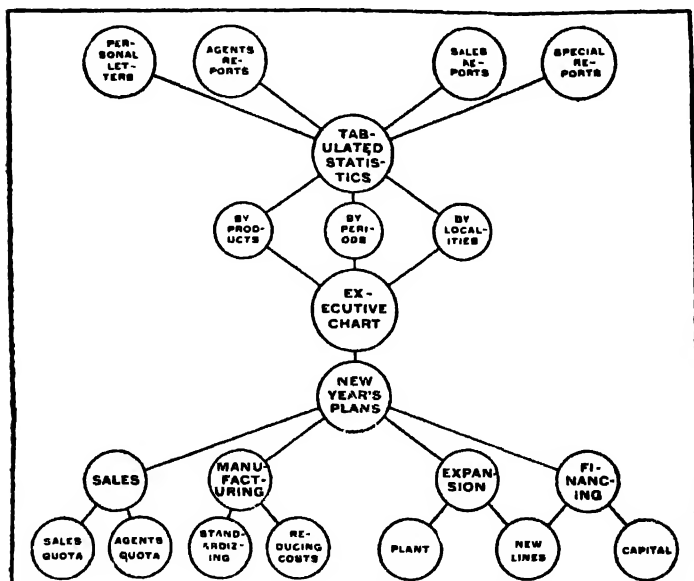
That an accurate forecast is possible—that next year's sales can be determined in detail and prepared for—I have proved to myself time and again. It is this system that once told us just the appropriate time to launch our general advertising campaign, and so increase our sales thirty-eight per cent.

Planning ahead for the coming year cannot begin the last month of the year. It should start years before.



For a planning-for-next-year system should have an accurate basis: figures—cold, hard, mathematical figures—and facts—proved, recorded facts.

Our records of business run back years; definitely tabulated as to sales by territories and lines of goods.



*FIGURE II: Tabulated statistics, after being drawn from the four sources here shown, are split under three headings into the charts from which next year's sales are predicted. When the sales figure has been set, its influence on quotas, production, expansion and financing is worked out*

They are the basis of our forecasts. Like the sources of all accomplishments that look like genius, they are just everyday knowledge.

Our fiscal year ends December 31; the stockholders' meeting comes in February. During January we put into definite shape our plans for next year. These plans fork in three directions: we determine next year's sales

and lay out the selling campaign; we study our manufacturing facilities and see that the factory has the capacity to turn out the sales quota; we plan for expansion—new lines of manufacture, new facilities for increased output.

Planning ahead starts with a determination of probable sales. For selling the goods is the last step in the process of manufacture, while the first is figuring the amount to manufacture. There is no wisdom in preparing to make what can't be profitably sold.

**F**IGURES of previous years' sales are as useful to the manufacturer as harbor soundings and charts to the sea captain, if they are properly tabulated.

The figures of last year's sales are the basis for judging next season's business. These figures are so tabulated that I know the exact sales made in each territory and through each agency, by lines of goods and by periods. My goods are sold through two hundred and forty agents covering the whole country, through salesmen in our branch houses in the large industrial centers, and through salesmen working direct from the home office. The sales are classified into thirty-eight different lines and are recorded under thirty-eight corresponding sales accounts.

A record of sales is kept for each one of these various sales units classified according to these thirty-eight accounts. The first source for our records is the orders as they came in from the various agents and salesmen. A sheet is given to the record of each sales unit for one month, classified according to the thirty-eight sales accounts and tabulated so as to show comparisons with the previous month, with the same month of the previous year, and with the total of the current and the previous

year. The sheets for each sales unit are bound together in a pamphlet so as to bring together a complete record for a year.

These sheets keep me informed of the exact conditions in every agency, territory and line of goods. I keep

SALES	TOTAL FOR MONTH	INCREASE OVER PREVIOUS MONTH	INCREASE OVER SAME MONTH PREVIOUS YEAR	TOTAL FOR YEAR TO DATE	INCREASE OVER SAME PERIOD PREVIOUS YEAR	PERCENTAGE OF MONTH TOTAL	PERCENTAGE OF YEAR TOTAL	TOTAL FOR MONTH
1 WOOD SPLY PULLEY								
2 SOLID IRON SPIDER PULLEYS								
3 SPLIT IRON SPIDER PULLEYS								
4 SOLID TEXTILE PULLEYS								
5 SPLIT TEXTILE PULLEYS								
6 IRON PULLEY								
7 IRON PULLEY REGULAR								
8 IRON PULLEY STD SPLY								
9 IRON PULLEY CASTINGS								
10 FLY WHEELS AND LAGGING								
11 HANGERS								
12 NET HANGERS								
13 NET SHAF-TING								
14 REGULAR SHAF-TING								
15 FLANGE COUPLINGS								
16 RIG COUPLINGS								
17 GRUB SCREW COUPLINGS								
18 COLLARS URM JAW AND S.C. COUP								
19 COLLARS								
20 SPLIT CLUTCHES								
21 OSTEON CLUTCHES								
22 CLUTCH SHIFTERS								
23 ROPE SLEAVES								
24 NET ROPE SLEAVES								
25 ROPE TRANSMISSION SUNDRIES								
26 ELEVATOR SUNDRIES								
27 IRON SUNDRIES								
28 GOOD MERCHANDISE								
29 OUTSIDE MERCHANDISE								
30 METAL DEPARTMENT ROPE								
31 DEFECTIVE WEL AND RAILWAY								
32 ROPE - CONSTRUCTION								
33 ROPE - FRT BORING CARTING ETC.								
34 ROPE - EXPENSE LABOR								
35 ROPE MACHINE SHOP								
36 LEATHER BELTING								
37 KEYLESS COUPLING								
38 WATER SOFTENERS								

**INQUIRY RECORD**

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

BUSINESS \_\_\_\_\_ RATING \_\_\_\_\_ SOURCE OF INQUIRY \_\_\_\_\_

DATE REC'D \_\_\_\_\_ FOR \_\_\_\_\_

ARE'D \_\_\_\_\_ REFERRED TO \_\_\_\_\_

FOLLOW UP \_\_\_\_\_

WITH \_\_\_\_\_

ORDER \_\_\_\_\_

**FORMS I and II:** The large form tabulates records of each line for executive comparison. The small form watches inquiries from the time they are received until they are referred for handling

track of increases and decreases in the sales of the agents and the lines.

But the figures alone do not tell the "why." They show what is going on, but do not give the reasons. So another source of information is necessary—information concerning business conditions; the developments in the trade and among customers; the agents' methods; and the conditions which surround transactions. This information I gather from salesmen's and agents' reports, trade papers, personal observation, letters, and special reports.

I watch especially the causes that lead to an increase in the sales in any lines of goods or territory, for in planning next year's work it is valuable to know if market conditions are going to continue and whether the influences and methods that have brought increases in one section can not be duplicated in other territories and agencies. It is not safe for an executive to lay down the volume of business for the coming year; he must mark out the lines and plan the methods that will bring the estimated business.

With these sources of information, then—figures of previous years' sales and a knowledge of trade conditions—the next year's sales quota is determined. Each unit of the organization is taken up in turn. With the comparative figures of previous years' sales before me, I call to mind the conditions in a territory and in a sales unit, determine what pressure for additional sales can be brought to bear, estimate what the conditions the coming year will probably be; and fix the increase these factors are likely to bring. A sales quota for the unit is then set. After all, I regard the most important point in planning next year's work to be not the determination of the sales quota, but the laying out of the actual methods we will pursue to help the agent sell his quota.

*SALES reports constitute commercial histories of territories and, if watched by the home office, help to shape campaigns and guide appropriations.*

One of the special sources of agent information is an agency record, kept apart from the general sales records. This card indicates at a glance what the agent's quota of sales has been for several years, how close he came to reaching it, what the conditions in his territory have been, and general facts regarding him. The record also

shows the definite aid in selling given the agent by the house—local advertising, circular letters and advertising literature—and the cost.

Now, suppose we discover from our records that we have sold a particularly large amount of some line in a territory. We find out the methods by which these sales were made. If these can be duplicated we tell our other agents about them and estimate how big an increase in

AGENTS RECORD									
NAME _____				RATING _____					
ADDRESS _____				POP _____		C. & FRT RATE _____			
OFFICERS _____									
NO OF SALESMEN _____				MAILING LIST _____					
YEAR	QUOTA	SALES	CIRCULAR LETTERS MAIL BY AGENTS	LOCAL ADVERTISING		COST VALUE ADVERTISING			
1906									
1907									
1908									
1909	FORM NO.	QUANTITY	SHIPPED WHEN & HOW	FORM NO.	QUANTITY	SHIPPED WHEN & HOW	FORM NO.	QUANTITY	SHIPPED WHEN & HOW
1910									
1911									
1912									

*FORMS III and IV: These two small forms are filed to indicate what an agent is scheduled to do, what he actually does and what help he receives from the home office*

their sales should follow. If a line of local advertising or circular letter work, which we have done for one agent, has proved successful, we duplicate it among the others. If certain goods have been particularly profitable we give agents special methods for pushing them. These cases affect the quota finally determined.

Local conditions often govern big sales and should be

considered in the agent's quota. Certain local changes during the year may have raised sales to a point which cannot be maintained; new conditions about to materialize may greatly increase the sales possibilities.

Enthusiasm and prestige I consider definite foundation stones for increases in the sales—provided that enthusiasm and a respect for our standards are instilled into agents. We strive to awaken in the agent the desire and the initiative to increase his sales. This is one of the objects of our publicity advertising, of our house organ, and of our agents' conventions.

And particularly we are always pointing out to every agent that the very fact of his being our agent is an asset to him; and that this asset increases in value as his sales increase. Many a time I have told the story of the specialty agent in New Orleans who, when he sold out his business and inventoried his stocks, fixtures and so on, added fifty thousand dollars for reputation—and got it. The good-will of an agency is nothing more than the combination of the agent's prestige and the standing of the manufacturer whose goods he handles.

**E**XPANSION usually follows lines of least resistance—the business tendencies that determine its advances must be measured when planning next year's sales.

Besides laying out a definite sales campaign, the question of expansion always has to be considered when next year's work is planned. Expansion follows lines of least resistance. Sometimes service to a customer suggests a line of equipment which might profitably be fitted into the sales and manufacturing campaign. General tendencies in business often open up new possibilities. A class of manufacturing may have been at a standstill for a decade. Then because of some big development it will

demand new and specialized equipment. It is dangerous to determine on a marked increase in the sales quota without providing a corresponding increase in production facilities.

Expansion, then, cannot be made the moment the increased quota is determined, but the plans should be laid and the way smoothed so that when the increase does come, facilities can be expanded rapidly. For additional orders are turned into a loss rather than a profit when production in the plant must be overstrained to handle them.



**E**VERY time you fail, to induce a man to buy, leave him with a smile; but go out and sit down for a serious think by yourself. There has been a reason for your failure. Find it, therefore, before you risk another prospect's "No." If the fault was your own, correct it—forget the failure—but hang on to the lesson it has taught.

—W. C. Holman

Former Director and Advertising Manager, National Cash Register Company

## IV

# GETTING DEALERS TO PUSH YOUR LINE

By George L. Louis

**R**E-STANDARDIZATION in distribution—in selling and buying, in the passage of merchandise from manufacturer to retailer, from retailer to consumer—has begun. With it has come, too, decided reductions in selling costs and a proportionate lowering of the price paid for his purchases by the consumer.

Few manufacturers as yet, and relatively fewer retailers, are aware of the changed conditions and new methods, or have recognized the opportunity these offer for extending the business and making it stable. But the unqualified success of these pioneers warrants the belief that their policies and methods will ultimately be adopted by the majority of our manufacturers and merchants. An interesting study in cause and effect is the manner in which the manufacturer's innovations have influenced the retailer to alter his store standards and how these changes have affected his customers.

It has been my privilege to follow closely and intimately the development of the selling plans of six manufacturers engaged in distinct lines of business and each among the largest and most successful of his kind. Together these six establishments present in fairly complete fashion the vital phases of what I have called the re-standardization of merchandising



No one of them, however, has applied its principles to every department of his distribution program. For the purposes of this chapter, therefore, the individual features which these six concerns have developed most fully have been assembled and dovetailed into a composite whole. And because this composite plan can be applied to almost any merchandising business it will be set forth here as a complete unit. The details have been tried out and proved by manufacturers of men's clothing, women's apparel, hardware specialties, toilet and drug preparations and food stuffs, who have built up tremendous and profitable businesses.

Four of these six manufacturers formerly conducted their marketing in the conventional way. There has, therefore, been ample opportunity to contrast methods, to gather evidence and to deduce conclusions. The other two firms are of recent origin; but their adoption of the new methods from the beginning has enabled them to make records of consistent advances unusual in the case of newcomers in their fields.

All of these manufacturers distribute through retailers. The retailer, therefore, is the most important cog in the machinery of their distribution. He is recognized as such and is as closely studied and analyzed as the processes of manufacturing themselves. The dealer is acknowledged to be a principal in the marketing of the product, and the alliance with him is a real partnership.

**L**ETTERS to dealers go ahead of the salesman and attempt to cover for him the three psychological steps of approach to buying: curiosity, interest and desire.

These manufacturers approach the retailer directly through three mediums: the salesman, the letter and the trade journal. Since each of these has a distinct field

and function in selling, they are used together. The salesman, letter and trade journal, employed at the proper time and in the proper way, will gain the attention of the most indifferent dealer.

The letter precedes the salesman. All of the preliminary work, the introduction of the manufacturer to the retailer, is accomplished through the mail. Ordinarily, unless the salesman can conveniently and inexpensively make new towns, he is not permitted to waste time and money in visiting prospects. Until the letter establishes the dealer's confidence, the salesman avoids him. Curiosity, interest and desire, the psychological preludes to buying, are within the letter's power to create.

The mere fact that a series of letters has been sent to a prospective customer is not sufficient to prompt a salesman's journey there. The letters must bring an answer. Whether it be favorable or forbidding is not as important as that enough interest has been awakened to produce the answer.

Two of these manufacturers have developed the negative answer from the prospect into a positive means of approach. When a retailer is sufficiently stirred to write back "No" in any of its phases, "I can't now," "I don't want it," "Am not interested," and so on, he is fighting your assault. He is protesting. He is trying to get away and he is on the point of giving in. When these negative replies are handled with tact and skill, sixty per cent of the writers can be brought into favorable relations with the house.

The chief object of the following letter is to sell a small first order to the dealer. If the dealer has already bought and disposed of a small quantity of the goods before the visit of the salesman, the latter will find it

easier to sell a substantial order and can devote more time to study of the dealer's needs, to intelligent assortment of the order and to the establishment of cordial relations with the new customer.

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*This letter was sent by a manufacturer of women's apparel to one hundred and eighty merchants in answer to negative replies. Note how the opening paragraph agrees with the merchant's attitude and how subtly selling talk is introduced.*

If your present lines of women's suits and coats are selling profitably and giving your customers satisfaction, we can readily understand why you have written us that you cannot consider our garments.

Still, it will be to your interest to look at our garments and compare them and our prices with those you are now selling.

Such an investigation should prove very advantageous to you; you might find some models in our lines that are better selling values than what you have now. And this comparison will prove to you just how strong your present line is.

Won't you instruct us to send one of our salesmen to you? Or let us send a few sample garments by prepaid express? As an enterprising, wide-awake merchant, we feel confident you will want to make this investigation.

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One of the concerns even attaches an order blank already filled out for a trial shipment, to which the dealer has only to add his signature. The appeal, which has proved quite effective, opens like this:

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*The manufacturer plans to turn "No" into "Yes" with this order. If the dealer can be led to test, he is half prepared to buy.*

This very small order will enable you to test out the selling possibilities of our goods. It will show you also what a reliable, prompt, and careful business we are conducting.

We urge you to sign and send in this order. The amount involved means nothing either to you or to us. We want you to put our goods and our concern to the test.

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What a properly balanced selling plan means to a business can be seen after study and analysis of the experience of these manufacturers. Follow-up letters can be made to eliminate much of the uncertainty involved

in seeking new accounts. They lessen selling expense. They are the only practicable means of getting a huge volume of small orders on which the profit is larger than the average. The trade journal is used as a co-worker with the letter. Space is bought and used for a definite purpose and must fulfill that purpose. The copy is changed in every issue and is keyed by offers of booklets on some appropriate retail merchandising subject like selling plans, special feature sales, and so on. Each paper must produce inquiries to justify the investment.

All of these manufacturers are radical in their attitude towards their two possible markets—the large city and the small town. The cities are seemingly neglected; all their energy and effort are concentrated on the small towns. Every town, village and hamlet where there is one or more stores is “on the sales map.” The so-called “little fellows,” frequently ignored on the ground that their buying power is too small, cater to at least forty million people.

**R**URAL buyers outnumber city purchasers and the thousands of little stores which sell to them represent a buying power which often can not be ignored.

Here are some statistics which have influenced these manufacturers to consider the small town as their most important market. According to the last census, there are only 2,405 cities in the United States which have populations of 2,500 or more. Including the other centers which have a million or more people within their borders, the total urban population is only 42,623,383. In the territory classified as rural, on the other hand, there are 49,348,883 persons. Of these 8,119,528 live in 11,784 incorporated towns of less than 2,500 population, but the majority of the remaining 41,229,355 buy the

bulk of their necessities in these smaller towns.

These figures are of no consequence in themselves; it is only when we study results that we can understand the merchandising possibilities of the small town. The following conclusions can be accepted because they have been demonstrated by the experience of all the manufacturers whose selling methods we are considering.

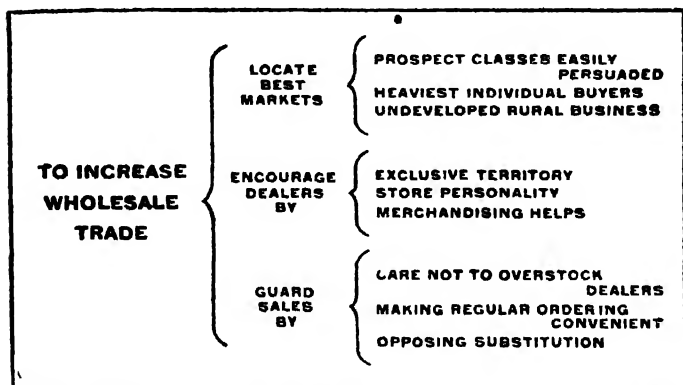
The small-town merchant is much easier of access than his city brothers. He is far more impressionable. He responds more readily to a sound business appeal. Hence the approach is easier, the results are greater and the cost of selling to him is decidedly lower.

As an active customer, the small-town dealer has fewer requirements which the manufacturer must meet. In the matter of terms, discounts, credit extensions, advertising helps, and various other allowances, the initiative of the manufacturer is usually accepted without further demand. In short, the small-town merchant is a less costly customer to handle.

He can, too, concentrate to the manufacturer's advantage on the goods he carries. This is because the lines he stocks are few in number and the quantities he carries are comparatively small. This allows him and his clerks to get back of his goods with a selling impetus that actually moves them. The intimate contact between retailer and consumer in small towns makes selling to the final purchaser a simpler, quicker operation. The fact that there is less local advertising to confuse the mental processes of the small-town purchasers makes them better subjects for the manufacturer's advertising. They are impressionable; desire can be more easily aroused in them and the object of the publicity—to create a demand—is more readily accomplished.

**To begin with the small towns where an equal volume**

of business and greater profits can be secured, and then to work toward the city trade, is the quicker, easier, safer journey for the young manufacturing house to make. For the concern already established in the larger trade centers, the neglected "provinces" offer an attractive field. To work it effectively, however, it must be



**FIGURE III:** *By the three methods here shown six manufacturers successfully stimulated their sales. They helped their dealers and through them reached for small repeat orders from the great rural population.*

treated seriously and not as a mere adjunct to the city territory.

Consumers in the smaller cities and towns buy quality goods—all sorts of luxuries and conveniences for their homes, delicacies for their tables, devices that minister to their amusement. Cheap buying is not characteristic, as is commonly assumed. Per capita they buy much larger quantities of staple commodities like flour, foodstuffs in general, stoves, refrigerators, and so on. A large percentage of city folk live in apartments which are rented ready for occupancy, painted, decorated and even partly furnished. A goodly proportion of them eat in restau-

rants, where they cannot specify the salt, flour, sugar, canned goods and other foods which they consume and where silver, china and tableware are not carefully considered.

**M**ANUFACTURERS *who have investigated find that sales increase in volume at more attractive profits when but one dealer is sold in each small town or city.*

Results which the six manufacturers are showing prove that sales are increased in volume, profits are larger, and all conditions are better if but one dealer is sold in each locality. With the exception of one house of the six figuring in this article, selling through exclusive dealers is the fixed rule. The one exception is a manufacturer of toilet preparations, which are purchased in such limited quantities by each drug store that sales through all stores are necessary.

But in all the lines of men's, women's and children's apparel, furniture, and so on, the volume of business and net profit can usually be increased and the selling cost decreased by selling exclusively through one retailer.

Regardless of how extensive and how powerful a national campaign may be, if the dealer is not back of the goods, only the minimum of sales will result. The "created demand" impetus is not sufficient to overcome an indifferent retailer. The final force that completes the sale must be as active and as strong as the first stimulus that arouses the consumer's desire. It is acknowledged that the dealer controls his local situation; that the consumer waits on him for his final selling argument. These manufacturers have been taught by experience that when two or more merchants in a given locality sell the same branded goods, they will

not lend their names and energies to promote such goods to the fullest possible extent. For the fruits of their efforts can be shared by their competitors. The merchant knows that he jeopardizes his own welfare and profits if he advertises goods that his neighboring rival also sells.

When a merchant has the sole selling privileges and is free to build up his trade with this as an asset, here is an example of what can happen:

In an Illinois town of twenty thousand one concern originally sold to five stores. The sales averaged about \$1,200 annually. With a change in policy the goods were restricted to one store. Immediately that dealer began to advertise the line in the local newspapers and by window displays. The first year's sales ran over \$3,000; they have increased since.

These concerns nourish the power and the personality of their retailers. They have found that the more he advances, the more valuable he is as a selling outlet - for then he can and will sell more goods.

Instead of submerging the identity and individuality of the retailer, his initiative and independent activities are encouraged. The bond of good will which these manufacturers establish with the retailer brings a harmony which eliminates the "dealer problems" and wastes in marketing. Selling to the merchant is reduced to its simplest, quickest form. It becomes only an exposition of goods and prices. The dealer drops his customary defensive attitude in buying. He is free to consider the merchandise and its selling value without fear that the salesman will attempt to "put one over on him."

\* The caution and consequent delay in buying that characterizes the average retailer have been further re-



moved by the "small order" policy that some of the manufacturers pursue. They make it a rule to sell the merchant as small an order as is consistent with his selling possibilities. There is no stuffing or forcing of sales. The result is that the salesman makes a greater number of individual sales every week than he could possibly land if he attempted to sell larger orders. He "cleans up" with each customer in half the usual time and covers twice the ground the average road man can. Selling expense is reduced materially, since all the "re-orders" come in by mail.

**Q**UICK turnovers of stocks please retailers when manufacturers show that there is a fair profit in the selling and make frequent re-ordering possible.

The quick turnover of a small stock leaves an un-failing impression upon the merchant. He re-orders by mail before his stock is too much depleted, while continual reminders from the manufacturer to keep his stock up does not let him lose sight of this point. Substitution has been practically eliminated. The good will of the dealer makes competition helpless.

The cultivation by the manufacturer of a broad, intelligent relation with the retailer solves many of the wasteful riddles of distribution. The plan promotes a frank, friendly, sincere cooperation with the merchant. The retailer is recognized as too important to be ignored, as unproductive when driven, as uncertain when cajoled and bribed. All of these manufacturers testify to this fact; as you treat the merchant, just so he will respond.

In the handling of their advertising, these manufacturers have worked out a common and advantageous policy which arouses none of the dealer antagonism many national campaigns have stirred, but actually

secures cooperation from the retailer.

These manufacturers keep rigidly away from employment of their national advertising as a device to force sales on a dealer. Instead he is shown that the campaign is an auxiliary power which he can use to good advantage. He is not awed and frightened into buying by circulars which play up the alleged selling arguments: "We are reaching and influencing 5,000,000 people and are spending \$50,000 for you; hurry, stock up." Instead, quietly, calmly, but forcibly, they say: "This publicity will surely influence men and women of your locality. It will arouse their desire for our goods. You and you alone can change this desire into actual profitable sales."

Nothing is left to the dealer, however, which the producers themselves can shoulder. The follow-up campaign is planned as carefully as the display advertising. The interval required for putting an inquiring prospect in touch with a retailer is reduced to as short a period as the mails make possible. Inquiries are answered the same day they are received.

How does this affect the dealer?

The retailers for these six manufacturers have become real merchants. They are forcing the issue in selling. They are not buying more or less blindly. Instead each works out and shapes a merchandising program of his own.

The broad policies, the friendly attitude, and the sincere efforts of the producing concerns have entirely removed one source of worry—the attempt of the manufacturer to encroach upon their domain. This has occupied so much of the dealer's attention and consumed so much of his energy that looking after his business has often become an incidental matter.

The educational, partnership efforts of the producers show results in a very decided way. With but a few exceptions their retailers are doing the largest business in their respective territories, while their selling expenses are decidedly moderate. Free from "manufacturer problems," and able to concentrate all of their activities upon selling, they have developed their trade remarkably.

**D**EALERS *profit by the manufacturer's national advertising when they focus the desire awakened by the publicity and reinforce the producer's efforts.*

Without exception, they are "cashing in" on the campaigns of the producers. They know how to do this without losing their identity. They connect their stores with the advertised goods by endorsing the advertiser's claims for his wares. They focus the "desire" which the manufacturer creates, and at the same time place themselves above the merchandise. They are reinforcing the producer's selling efforts by their own individual energies. Even in the preparation of their advertising they do not use the manufacturer's words; they rephrase his arguments in their own distinctive fashions.

And the next and final factor in distribution, the consumer, is educated by these saner retail methods into better buying. He is weaned away from the bargain idea, from bad shopping habits for which the retailer himself is usually responsible.

When the merchant cooperates with the manufacturer, intelligently and willingly, two powerful forces are combined which insure the maximum selling at a minimum expenditure of energy and money. Demand and supply in themselves will not regulate buying and selling satisfactorily. The economical distribution of goods from

manufacturer to consumer, by way of the retailer, must be based upon a systematic, direct, intelligent plan which invests each factor with a responsibility and brings them all into cooperation to that end.



**I***t is true of many houses that the clerk is treated fairly and given such consideration as is commonly shown employees; but it is not true that the clerk is given full information on the cost of goods, the methods of buying, and the policy of the firm. These three things are held from him as secretly as possible.*

*But I feel it best to have no secrets, to hold back nothing about what the house is doing or contemplates doing in building up its business.*

*The policy which I find most successful is the reflected opinion of those who constitute the working force; for policy is nothing but the following out of the best plan under the circumstances.*

*And who knows more about this than the salesman?*

—Arthur B. Levy

Of Levy Brothers and Company

## HOW TO FOCUS TRADE THROUGH JOBBERS

By Robert H. Ingersoll

President, Robert H. Ingersoll and Brother

**A**S THE head of a manufacturing house, I keep in touch with the market by a system of daily, weekly, monthly and quarterly reports from salesmen.

The "market" of any manufacturing house consists of the people who buy its product. Hence a study of the market involves:

First, a knowledge of the article which the public demands.

Second, a knowledge of the most direct and inexpensive methods of placing this article in the hands of the public.

My firm was established on the belief that the public wanted an inexpensive watch—the "public" used in its broadest sense. Our sales force was organized to meet these conditions.

This particular "public" can not be assumed to devote much time to reading the periodicals, nor to conducting its business by correspondence. A man wants a watch and as a rule he takes the quickest and most direct way of getting it. He buys it at the nearest store, and the chances are that he will buy the watch whose name and price are most familiar. Hence, our policy of giving general publicity, rather than direct advertising, to our product.

As a result of this system but few watches are sold direct to the consumer. They are disposed of through jobbers, retailers and a miscellaneous class, known as "premium users." The jobbers in turn sell to a large number of retailers. For this reason our customers may number but fifteen thousand, although we might market two million watches a year to them.

Our selling force, then, is organized to handle not the general public, but fifteen thousand customers who serve as mediums. Our "market," in other words, consists of jobbers and retailers. To keep in touch with the market we must, first, keep the company in touch with the salesmen; second, keep our salesmen in touch with the trade.

**O**RGANIZE the sales force so that their routine reports will give you a detailed and minute analysis of your entire market every three or four months.

To keep the company in touch with the salesmen, we use a convenient form of organization and a report system. The United States we have divided into an eastern and a western division. At the head of each is a division manager. Under the eastern manager are ten salesmen; under the western manager, five. These fifteen salesmen cover the entire country four times each year.

These salesmen are on a par. They are all connected with the company on a straight salary basis—a plan that we have found by experience to be more satisfactory than the commission system. They are all responsible only to their division manager, who in turn is responsible to the company.

Each salesman is assigned to a clearly specified territory, out of which he must not sell. These territories

are regulated largely by the development of the jobbing trade in that locality. Thus, but one salesman covers all of New England, owing to the high development of the jobbing trade there. The salesmen connected with these jobbing houses do the work that our salesmen would do ordinarily.

The two division managers route each salesman in their divisions. The route is indicated on a map in the bottom of a flat drawer in the filing case. Each city and town the salesman is to visit is indicated by a tack bearing the date of his arrival and departure. His course is indicated by a string attached to these tacks.

From these fifteen salesmen the division managers get reports which keep them in close touch with the market, and from which the company is enabled to make preparations for unusual approaching conditions.

Each salesman sends a daily report of his work to his division manager. On these reports are noted merely the orders "entered." These reports are not considered in the final estimate of the salesman's value, as many "entered" orders are not filled. So these daily reports are later verified or corrected by the salesman's weekly reports. On these daily and weekly reports the division manager bases his weekly statement to the company.

These reports from the two division managers come up for consideration every Wednesday morning. The records from each territory are compared with the records of the same territory for the corresponding week of the year before. Any marked discrepancy results in letters for further information or with special instructions. In some cases a special salesman may be sent to find out the causes. In this way a careful watch is kept on the market, and any decline is promptly checked.

Monthly, quarterly and annual reports are also sent by each manager to the company. On these monthly reports the "entered" orders are discarded and only the "shipped" orders are noted.

Each of these reports show corrections and condensations of the preceding reports. For instance, the manager's monthly report indicates on a single sheet the name and record of each salesman for the period indicated, showing the amount of business received from him, the amount of his business which the company has "passed," the amount which has actually been shipped, together with the percentage of his expenses to the business he has transacted.

To keep in still closer touch with the salesman, an individual card record is kept to show in detail the record of each year. The annual record cards are then filed together for reference.

To keep the salesmen in touch with the market, they are trained to confer personally with the tradesmen.

**R***OUTE your salesmen so that they can visit every retailer who sells a line of goods in which yours could be included, and can talk shop with him.*

Each salesman is routed to reach the "high spots"—the big business centers—first. From these "high spots" he radiates to the smaller towns. He visits every retailer who handles a line of goods in which ours may be included. He talks shop to him. He finds out how much of our product and how much of our competitors' products were sold the year before, that he may estimate the amount of our goods he can handle next year. He studies the demand in that vicinity and the reasons which cause it.

By this system the company gets reports every year



And customers, thus approached, consume no time in comments on the weather. These cards will tell him the fluctuations of each customer's trade, from month to month and year to year.

In these quiet card conventions with his buyers the merchant learns how much may be done with a right business system, besides adding more customers to his list. The word expansion has been as popular in business as in politics. There is something else to be done in the course of sound business progress besides expanding. To solidify your business structure is quite as essential as to expand it.

This fact is enforced with emphasis by an intelligent study of any system that really puts before the eye of the executive a complete picture of his relations with each customer on his list. There is nothing in which you can better invest two or three days' time, at intervals of three or six months, than in a direct personal study of these cards. Handle them with your own hands, read them with your own eyes and make your deductions and conclusions from your personal contact with the list.

**WHEN** *you go through the customer list get in mind a way to strengthen weak purchasers and a plan for enlarging small accounts with frequent re-orders.*

But what should you have in mind as you go through the "cabinet," turn one card after another and scan each customer's relations with the house? Two things: First, how to develop weak customers into sound ones; second, how to build small accounts into larger ones without increasing the tension of credit. In my opinion the first object to be held in view is quite as important as the second. It is more vital to have a trade that is

absolutely sound and closely knit than to have a big trade full of weak spots that are causing work and worry. Enough weak accounts will strain the credit of the best wholesaler and will absorb more time and high-priced energy than they are worth—ten times over! A glance at each card tells you how much your customer bought last month, how much the corresponding month of the previous year; how he has made his payments; and the whole character of his transactions.

After picking out the weak points which need to be fortified, the shrewd manager will carefully formulate the general lines of a campaign directed wholly to making stronger the customers he already has, without regard to getting new ones.

This must be done in a thoroughly systematic manner to be effective. In fact, it would be wholly impossible to make even the preliminary investigation necessary to such a campaign without having in operation a modern system, which, at least to a degree, is analytical in its operation. In this sort of campaign it should be remembered that the object is not to load your customers up with a larger line of goods, but to make them so strong that they will need more goods and can take them with less credit than under existing conditions.



**I**N EVERY phase of selling—wholesale, retail, in person, by letter—the most effective, the most decisive results are attained when skill, tact and diplomacy are employed. These are the ingredients of subtlety that minimize effort and energy in selling. These are the factors that differentiate mere selling from real salesmanship.

—George L. Louis

## VII

# FIXING ON A RETAIL POLICY

By Herbert A. Ballou  
Proprietor, The Ballou Paint Store

**H**OW can I make my store different from all other stores? This was the question I asked myself when I bought my business.

I had acquired it for less than two hundred dollars—most of my available cash. This valuation was the net result of nearly sixty years of labor. My grandfather established the store in 1848, and after his death it was carried on by my uncle. Some years previous I had worked in the store, but had gone away for several years.

For three or four years preceding my final return the business had done very badly, and several times had been on the point of insolvency. My friends advised me against going into it. How, they asked, could I hope to succeed if in sixty years it had accomplished nothing but failure? Looked at in this light the project did seem very dubious, and that was why I set about the problem of giving the store an individuality.

The store is in a thriving manufacturing center, with more than a hundred thousand people.\* The state is thickly settled. City and country use paint in great quantities. Why, I asked, could I not sell paint enough to make the business a success? Why had the store never been able to get and hold its customers?

As I walked up and down the streets I was impressed with the fact that most of the little stores—many of them very old stores like my own—lacked anything that resembled personality. There was nothing about them to draw attention. So I reasoned that the first proposition confronting me was—let the people know that Ballou's paint store existed. I made up my mind that in some way I would make the name "Ballou" synonymous



FIGURE IV: The "Blue" paint store made this school rule pay for itself and do novelty advertising at the same time. It was given in exchange for empty bottles to be used as containers

with paint. I would establish my identity so strongly that the very word "Ballou" would mean PAINT to every man, woman and child in Worcester.

But right at the start I was confronted with a dilemma. My name was an unusual one, hard to remember, and not easy for some people to pronounce. Then came the inspiration: why not pronounce it "Blue," and make my store blue?

**B**ALLOU tells how he made his blue store stand out from the others and gave it an individuality around which he builds his successful sales campaigns.

I got out some blue paint at once and transformed the store front to that color. Then I walked across the street and looked at it. My store was no longer a mere link in a chain of dead-level sameness. It stood out by itself in a tint that could not be mistaken. Ballou had become, in an hour, "The Blue Paint Man."

That was the beginning. After that blue became my mascot. Whatever I did, I did in blue. I painted my oil cans blue, and when they were carried or hauled through the streets people knew they belonged to Ballou. I wrapped all my parcels in blue paper and tied them with blue string, and every parcel and bag was a vivid advertisement for the blue store. I had my stationery printed on blue paper; my bills were sent out in blue, and so were my checks. My clerks wore blue caps and coats; my store was decorated in blue.

**M**ERE individuality will not hold sales very long, Ballou soon discovered, and he straightway found methods for proving the real worth of his store.

After awhile when I got a little start and the people began to recognize "The Blue Paint Store" as a feature of Worcester, I began to advertise in the newspapers. Unhappily I could not have the ads printed in blue ink, as I would have liked, so I featured the word blue as much as I could without sacrificing the primary purpose of the advertising—to make known my goods. For instance, I would head an advertisement with the word "Blue" in big type, and at the bottom I would use the stock cut bearing my name and address. This cut was always the same on all of my advertising, and came to have the effect of a trade-mark. In the space between the "Blue" and the cut I would use terse phrases like these:

"The best horse gets the **BLUE** ribbon.

"The best and cleanest paint store wins the **BLUE** ribbon of popularity.

"Economy puts the **BLUE** ribbon on the lowest prices.

"**BALLOU'S PAINT STORE**" takes on the royal color, **BLUE**, because it's the best paint store in the

heart of the commonwealth.

"Here's where autos stop for the best quality of gasoline at 19 cents a gallon."

By pounding away at this sort of thing, it was not a great while before my store had actually assumed the personality I had set out to give it. It was no longer a nonentity in the city, and my name was no longer a



FIGURE V: This advertisement lasts as long as the cake of soap. Ballou had the lettering sunk—in blue—through the cakes used for novelty advertising in conjunction with the school ruler

queer sounding word that most people forgot. The smallest child, if he could talk at all, knew that the "Blue" man sold paint.

But now I encountered a danger I had not foreseen. The mere establishing of an identity was by no means the whole problem. I must prove that something worth while existed behind that identity or the people would take the opinion of other paint dealers, very freely expressed, that I was only a freak who couldn't be depended upon to sell the right sort of goods.

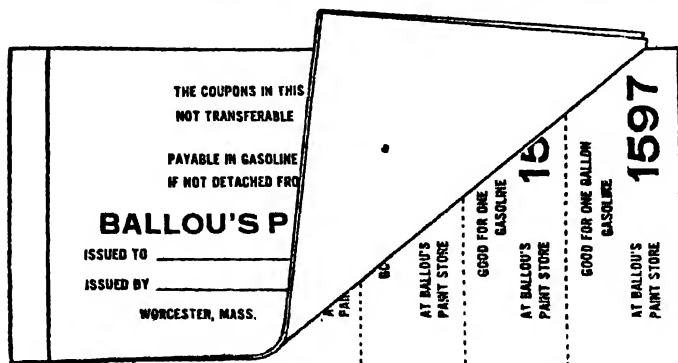
To guard against this danger, I undertook a thorough study of paints, securing through the government and from other sources, analyses of the various goods on the market, together with all the technical information I could get about them. All this I filed systematically, for reference. I rigidly excluded from my store the inferior goods, resisting the temptation to make temporary profit at the expense of permanent trade. I found that knowing one's goods, and the goods of one's competitor, is a very valuable asset. This knowledge ought to go a great deal farther than the mere ability to identify goods by sight. The man who can tell how an article is made and of what ingredients it is composed, is the man who can effectually silence the loose assertions of prospective customers. I have often been amazed by the ignorance of dealers—not in the paint line alone—about their goods.

Fortified thus with the knowledge that I was selling dependable goods, I did not worry over the charge that Ballou was a freak. Instead, I set out to make myself seem more extravagant. I did not intend that "The Blue Paint Store" should become a commonplace freak. I saw the necessity of keeping the "blue" idea continually stirred up by fresh devices, so that it should not become stale or lose any of its original flavor.

I have kept these devices moving rather swiftly ever since. In the first place, I make a strong point of my show windows. If you can get the public to watch for changes, and ask what are you going to have next, it means good publicity. I use a blue background for all displays, and use blue for all lettering or other subsidiary contrivances. The displays themselves I aim to make so unique that crowds will gather automatically.

For instance, one display depicted a painter, built

out of cans of paint, in the act of falling off a ladder. I took advantage of all the display ideas given by the paint manufacturers in their national advertisements,



FORM V: Balloou sold gasoline coupon books—tinted blue—at commutation prices and found them successful pullers of regular customers

and used all the window displays sent out by the advertiser. I receive great benefit from this service, and I cooperate with them in getting up new ideas. I have all sorts of demonstrations in my windows, too, and I find them very successful. I have won several prizes offered by manufacturers for window displays and selling devices.

I change my displays once a week or oftener, and I make it a point to use local events for advertising purposes. Thus, the employees of the envelope factories had an excursion to the ocean. There are about twenty-eight hundred of them and many own their own homes and are consumers of paint. It pleased them mightily when "The Blue Paint Store" came out one day, about a week before the excursion, with an elaborate seashore scene, painted chiefly in blue tints, on one of the windows. The thing was not exactly a work of art, but it covered



the entire window and had a humorous element. A blue placard announced that the paint store would sell tickets for the excursion. Crowds came down from the factories to see the painting and you may be sure that Ballou will not be forgotten by the envelope workers. They will never have any trouble remembering where the store is or what the name is. They will simply need to think of the color.

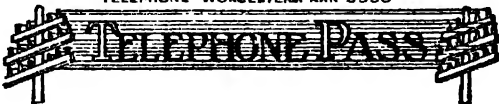
**L**OCAL events bring profits when you connect advertising to them and reach purchasers with home news  
—Ballou made the baseball news sell paint.

During a world series for the baseball championship, I had painted on the window the huge "world" trademark of the paint and varnish house whose products I sell. Inside the world appeared the scores, innings, batteries, total runs, hits, and errors. We kept this score right up to the minute—and also had a girl doing nothing but answering telephone inquiries.

When the 'phone rang our girl answered: "Ballou's Paint Store." The question came, "What is the score now?" We had three hundred and fifty calls one day, in two hours. I think this was an effective way of impressing the name of the store on all who telephoned, as well as those who watched the window.

After the second day of that series, one could not but see that the name "Ballou" was in the minds of those who were following the games, as they called for Ballou's Paint Store at once for information. The crowds of men, women and children standing in front of the store afternoons, watching the score, was amazing. Sales that week were booming on shelf goods, such as varnishes, floor waxes and paint. Better still, "The Blue Store" made a hit—a home run at that.

In the summer I keep busy at the nearby county fairs, and blue is my scheme there, too. Once I had a blue fishing scene painted on a great piece of canvas. It was hung up in a booth, and the people were allowed to "fish" at five cents each. A fisherman, dangling a line

TELEPHONE WORCESTER PARK 3530  


102

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*is entitled to call this Company by Long Distance  
Telephone without charge*

**EXPIRES DECEMBER 31, 1913**

**BALLOU'S PAINT STORE**

No

**MAKE YOUR CALLS  
EXACTLY AS DIRECTED  
ON BACK OF CARD**

**By** \_\_\_\_\_

*FORM VI: This "telephone pass" was successfully used by Ballou to put out-of-town customers on the same basis as city buyers. He assumes the toll charge on purchases made by telephone*

against the canvas, would hook up a sample can of enamel, or something of that sort—always well worth the price, and at the same time having an advertising value. In winter, the same plan is followed at church fairs—at one fair, it netted thirty-five dollars in cash.

I take my customers motor'ing, sometimes for pleasure and at other times for business. Each week of the summer I take one day off and visit other paint stores and the factories in search of new thoughts and devices. I exchange many ideas and experiences and receive good ones in return. I find getting business is like

fishing—my particular hobby. You have to use different bait for different kinds of fish. You must use various means of advertising to reach the public—something new and different each time.

**N**OVEL advertising campaigns like this awaken fagged attention and impress your claims on many prospects who would not notice conventional appeals.

Once it occurred to me to send out to all my good customers my regular form of blue statement, leaving the dollars and cents column blank and typewriting on the body of the statement this line, "You do not owe us a cent; we wish you did." Well, a lot of people came down to see us about it. One fine old lady came in very much disturbed.

"Mr. Ballou," she said, "I am quite sure I settled my account with you, but here is a bill. You have made some mistake."

"If we have," I answered, "we'll certainly make it right. How much does the bill say you owe us?"

"I don't just remember," she said, taking it from her bag and adjusting her glasses. Then for the first time she saw the joke, and she was so pleased that she declared I would soon have a real bill against her. Another customer declared that he meant to preserve that unique statement and exhibit it whenever necessary to show that his credit was good. He is a walking advertisement for "The Blue Store." That is what I was after.

My grandfather, no doubt, would disapprove very sternly of my little business gaieties and of my blue motor car. But when he had the business it wasn't a blue store. Now it is a living, breathing thing, with a personality just as actual as that of a human being. That is why I like to have smiles as well as grimness.

When people think of "The Blue Paint Store" I want them to think of it as a pleasant place to go.

There are various devices in the store to put customers in a pleasant mood. I like to have some agreeable proverbs posted around—in blue, of course. I have a blue windmill, in cardboard, and blue pictures, and some blue placards, framed, telling how a combination "household economy" set may be obtained at reduced prices. And when the customer goes out he sees, as he passes through the door, a blue farewell that says to him, "Thank you, call again."

When a man buys paint at my store and paints his house, I have a photograph taken of the house. Then I have a print neatly mounted, or sometimes even framed, and present it to him. I have customers who have gathered quite a collection of my photographs in this way. They have a number of houses covered with my paint. Farmers frequently have whole strings of pictures on their walls, showing their various barns and other buildings freshly painted with Ballou's paints. It is an agreeable thing for the farmers, and the pictures are an ever-present reminder of Ballou.

The average store remains insignificant, I believe, chiefly because it has no personality. Just as a man must have a strong personality to rise above the mediocre persons about him, so the store must be aggressively and agreeably personal if it is to get out of the dead-level class. Next in importance to the goods themselves, is the atmosphere of the business. Every store cannot be a blue, or red, or green store, but every store can establish its own individuality in some way.

I am working out of the small class, and have had and still have to work hard and keep thinking in order to crowd my way farther up, or even to hold fast at the

point where I am. But I have demonstrated that a business may have possibilities even though it has taken sixty years to give it a valuation of less than two hundred dollars. With a present volume bounding along toward the one hundred thousand dollar mark in annual trade, and with a yearly gain very pleasant to contemplate, I am quite satisfied to go along with the labor and fun of business building.



**O**VER and beyond the merchandise, its mechanical manipulation and the advertising of it, is the problem of handling the public and pleasing it. The true test of courtesy on the store's part comes not so much at the time goods are sold as in the handling of complaints and the affording of little points in service.

Every store meets buyers with a smile and gracious treatment—at least it should. But when you have occasion to return or exchange goods, to make a complaint regarding quality, or in some way to try to obtain satisfaction for a real or fancied grievance—how does the store receive you? With the same gracious desire to please or with long face and multiple objections? It is the treatment at this time that classifies the store in the estimation of the customer.

—Henry C. Lytton

President, The Hub, Chicago

## VIII

# CAMPAIGNING FOR ORDERS BY TELEPHONE

By Tyson Cook

**S**ELLING by telephone has been divorced from rule of thumb. It has been studied, developed, standardized and made a dependable factor in retail merchandizing. The principles involved are closely analogous to those used in mail order sales. Selling an article by wire, it will readily be seen, is quite a different thing from selling it across the counter. In the latter case, the clerk has the goods, the store atmosphere, and his own personality to help land the order. In the former, practically all of them disappear except a part of his personality—that part which he may be able to project over a copper circuit.

The smile, the lift of the eyebrow, the encouraging nod or warning shake of the head, the sweeping gesture, the eloquent draping of fabrics—all of these auxiliaries vanish when your people attempt to sell by telephone. One thing alone remains—the polite, patient tone and the courteous phrase that holds just the right shade of decision. The customer must be shown that telephone shopping is as satisfactory and in many cases a great deal more convenient than the old face-to-face method.

At the very start, the man or woman who would be successful in making telephone sales must learn the art of projecting pleasing impressions over the wire. Ex-

perience proves that this is not the easiest task in the world. In addition, as the first steps in the necessary routine, the clerk must learn how to transfer customers to other departments and how to get names and addresses without giving annoyance; must have a ready command of the delivery service of the store and, in brief, know how to render as efficient service by telephone as across the counter.

**T**ELEPHONE salesmen contend with various unusual circumstances—they should be carefully picked because they supply a service by which you are judged.

Not every clerk makes a good telephone salesman. The personal equipment of those who are to do your telephoning, therefore, should be examined. Be careful, for example, that your telephone clerk is normal physically and cheerful mentally. A person with "nerves" has no right at the mouthpiece of a business-getting telephone. Make sure, also, about such things as general sales ability, physical defects such as deafness, imperfect enunciation, throat affections, especially hoarseness—all of these and others. Efficient or inefficient, the clerk at the end of the wire stands for the store and the store will be judged by the service the clerk is able to give.

Every store has certain clerks with a natural talent for gaining the confidence and liking of many customers. Buyers ask for them and prefer to wait for them, should they be busy with other patrons, rather than have other clerks serve them. Such employees are good selections with whom to make a start in going after telephone orders during the slack hours of the morning or in organizing a telephone sales department.

"How did you make your start?" was the question put to the manager of mail and telephone sales in a

large store noted for its success in going after business by telephone.

"Well," he answered, after thinking a moment, "we started at the right place. I mean this. Two years ago our store telephone service was below par. We realized it and wanted to make it better. At that time the idea was to bring our telephone efficiency up to our standards in other lines, rather than to launch a definite sales-by-telephone campaign.

"I soon found that it was much like swinging your golf clubs. The first thing to do is to learn the technic of the game—and then forget it. With the help of a young woman from the mail sales force, we began to teach our salespeople what you might call the mechanics of telephone usage.

"My assistant's first task was to choose five or six young women to aid her in demonstrating the proper method of handling orders. She took several days to find the right ones; at the end of that time I met the group in my office and we had the first of a series of conferences, with a stenographer present to take down our ideas. Each one of us took a copy of these minutes and between meetings studied the operations by which we hoped to bring successful results. Gradually we worked out the methods that gave best results and compiled a series of telephone sales questions, phrases and answers for the use of the various departments. In these we grouped the quickest and most efficient ways of handling customers and boiled down the necessary questions and answers into the briefest possible form.

"It took time, of course, to convey our ideas to our clerks. But once they caught the drift of our efforts it was not difficult. My assistant would go into a department on Monday morning with an explanation of



her purpose. Then she would stay until she felt that every clerk in the section understood what we were trying to do and was in line with the new idea. Then she would go on to another, leaving one of her assistants in her place for a week or two. In six or eight months we began to receive compliments about our telephone service, and better still, receipts from telephone sales began to jump.

"Let's see if we can get in on a telephone conversation," he continued. Adjusting an operator's apparatus to his head he switched his desk 'phone into the main switchboard, found a new call coming in and passed me the receiver.

"This is Blank's toilet goods department," I heard a clerk announce without other preliminary speech.

"Is Miss Carson there?" inquired the customer.

"Just a moment, please; I'll call her."

After an interval of probably eight or nine seconds a pleasant voice sounded on the wire saying, "This is Miss Carson—who is this, please?"

"Mrs. Davis. I want you to send me a number of things in the afternoon delivery without fail. Can you promise them, Miss Carson?"

"Yes, indeed, Mrs. Davis. I'll mark the order 'special' and attend to it myself."

A list of half a dozen items followed. At the end Miss Carson repeated the order to avoid errors. With a pleasant "Thank you," and a prompt, "You're very welcome," the conversation was concluded.

Briefly I told the manager what I had heard.

"That was a fair example of the way we handle telephone orders," he commented. "Handling them, however, is only the top layer of the thing. We are here not only to receive orders, but to go after them. If you were

to come in at eight forty-five or nine o'clock tomorrow morning, the talk you would hear going over the wire would be quite different.

"Until nine thirty every morning there are comparatively few customers in our aisles. At that hour, women with shopping to do are thinking of coming downtown or of telephoning their orders. Instead of waiting for them to come in or telephone, our salespeople utilize every spare moment to call up such of their personal customers as have not been in recently and try to secure orders which might land elsewhere. We have hopes that this plan will bring in much business; already it has proved of real value in keeping in touch with customers."

**T***OLL charges are the greatest handicap to an extensive use of the telephone--frequently the establishment of sub-stations will overcome this difficulty.*

An ingenious use of the telephone for securing orders outside the limits of the local telephone zone without the handicap of additional toll charges has been devised by a grocery store in one of the important suburbs of Chicago.

Under ordinary circumstances, the trade of this store would be confined almost exclusively to the immediate neighborhood. Eight miles away, however, is a town that furnishes an inviting market, inasmuch as it is a fashionable residential district. The population is not large, but is made up of people of wealth and position whose custom is highly desirable. The local grocery store is small and has little competition except from the larger stores in the city. On regular daily orders, it is patronized chiefly because of its convenience.

To secure a part of this trade, the suburban merchant

established a "relay" telephone station at a point midway between the two towns and just at the local telephone zone boundary. He then issued an announcement to his customers and to a list of prospective customers in the neighboring township, inviting them to telephone their orders to this point, whence they would be relayed to his store without extra charge. In this way he has succeeded in extending the radius of his market without the imposition of the toll charge that direct communication with his store entails.

Much of this trade is secured at the expense of the city store rather than of the local grocer, as the merchant has solicited business with the argument that he carries a large assortment of goods and can furnish on short notice, many kinds of specialties that heretofore were obtainable only with greater delay and more effort from Chicago. The plan has worked out so successfully that the grocer is extending his market in other directions.

The "mechanics" of telephone usage, on which merchants should lay particular stress, is a phase of telephone selling that calls for close study. Not a few stores, large and small, fall into the error so carefully avoided in the case above cited—that of trying to begin a telephone campaign at full capacity. The handicaps and possibilities of the telephone should be studied, the drawbacks minimized and the best method in telephone speech should become automatic before the clerk goes after business.

In the beginning, clerks should be taught to understand the rudiments of telephone operating. They should appreciate its difficulties. It is a serious drawback to efficiency when sales folk get into the rut of thinking all telephone difficulties due to incompetent operating. They should know, for instance, what the term "peak hour"

means. The morning peak hour especially should be recognized. It is then that telephone lines are in great demand and the operators frantically busy. Your store telephones should be free from unnecessary outgoing calls. Let them be wide open for inquiries and orders. See that personal conversations are omitted during rush hours.

It is vital that, in going after telephone orders, the employer study the peak conditions referred to. In order to utilize salespeople to the best advantage and make sales by wire with a high percentage of results, you should be in harmony with the daily tides in the service. Find out when the rush of calls from residences occurs. Your local telephone manager will be glad to give you exact information on that score and help you make the most of your service. The idea is to have your telephone sales force on the line calling prospective buyers before they have had a chance to place their orders elsewhere.

**H**ANDLE a telephone call carelessly and you treat discourteously an interested customer—make it plain that telephone rings must be answered promptly.

Have it understood that a first step in handling telephone calls properly is to answer signals promptly. If employees are going to "wait a minute" before they take the time to answer a ringing telephone they are not fit to answer it at all. The clerk should never jerk the receiver from the hook and answer with "Hello," "Well," or some other inane expression. Let the announcement be the name of the store, adding "Shoe Department," "Hardware," or whatever department it may be, and the clerk's name may also follow.

Impress upon your clerks the importance of being ready to talk business the moment they lift the receiver.

It is annoying to the customer to have the salesman answer a telephone—even though the answer be prompt—and then continue talking to someone else for a brief time before giving all his attention to the wants of the caller.

After the clerk has announced his department, if the customer should say she wishes some other department or something of that kind, the employee should be ready with a courteous sentence that shows no trace of displeasure. He should say, "I am sorry; hold the wire and I will have you transferred," or a phrase to that effect. If your people snap out "wrong number," or "wrong department," and replace the receiver, your telephone sales are bound to slump.

When a clerk hangs up a receiver with a customer still on the line, the operator at the switchboard probably thinks the conversation ended. If too busy to "listen in," she disconnects. This leaves the customer free to do one of three things: go through the whole routine of re-calling, call another store where she hopes to receive better service, or give up the effort entirely.

Initials, names, addresses and telephone numbers should be obtained early in the conversation. Sales cannot be made and goods delivered without these details. There is always a possibility that transmission trouble may interrupt a telephone conversation. Even though the customer has placed an order, if the name and address are lacking the clerk is decidedly at a loss to make delivery, while the customer, thinking her purchase has been made, may count on receiving the goods at a certain time and resent the store's failure to meet her expectations.

When a telephone customer says, "Let me talk with Miss Halliday, please," be sure that a sane answer is

forthcoming. Have the clerk say,\* for instance, "I will look for her," "I will send for her," "I will see if she's free," or something of a similar nature, and then make sure that the promise is carried out. If the clerk finds Miss Halliday out, she should come back and announce the fact, adding, "Can I do anything for you?"

If this detail is neglected, another annoying mix-up is going to occur. The minute the clerk's attention is diverted the telephone becomes "dead." The receiver is off the hook and the line is out of service until someone comes along and notices it, or a trouble man from headquarters arrives to locate the difficulty. Startling things happen to the possible customer while this is going on. Annoyance, exasperation, discouragement, and disgust succeed each other in quick order, and are often followed by a disconnection.

Customers frequently want information that even the well-informed clerk cannot give immediately. There is one standard way to get around this difficulty—to take the customer's number and promise that the clerk will get the desired information and telephone it at the earliest possible moment. The promise should be kept—even if it is only to explain a delay in furnishing the information or to admit that it cannot be supplied.

**R**EMIND *clerks that customers may want something when they have apparently completed a conversation and thereby prevent purchasers being cut off.*

Clerks should be reminded\*at intervals that frequently patrons may seem to have finished conversations and still want something else. They should never hang up without asking, "Is there anything else today?" or, "Is there any other department to which I may transfer you?" These are the little courtesies which spell the

difference between good and indifferent store telephone service.

Definite knowledge of the store's delivery service is a big asset in dealing with telephone customers. In no store should there be a clerk who is willing to admit "I really can't say if we can deliver this." Many of your telephone customers may be suburbanites, or may, at least, live at a distance from your store; the question of delivery is vital to them.

Many retailers, in widely different lines, have found it profitable to establish a special delivery to take care of rush telephone orders. A Texas druggist has built a remarkable business in prescriptions and specialties by providing for immediate delivery by motorcycle of emergency necessities. An eastern grocery firm has adopted the same idea and has a similar delivery method for handling "hurry" telephone orders. At each of its larger establishments, it maintains a squad of bicycle messengers for the handling of special orders from regular customers. So thoroughly does the firm believe in this service that even trifling purchases are sent immediately when the customer makes her need apparent.

This grocery firm, like many other progressive stores, makes it a point to exploit its telephone service at regular intervals. Elaborate window displays as well as newspaper advertisements are used to impress upon customers and prospects the ease and safety of buying by telephone. One window reproduced a corner of a store. A wax figure in the typical attire of a grocer stood beside a counter, with a telephone receiver at his ear—plainly in the act of receiving an order. Grouped about the interior of the window were various specialties in which the firm deals. Other telephones stood on

these different piles, and cords led thence to the main telephone in the hands of the figure. As often as such a display has been made it has received favorable comments from customers. Usually it has pleased to such an extent that other grocers in the vicinity immediately imitated the idea.

"In each of our stores," one of the proprietors explained, "we designate certain clerks to solicit and receive telephone orders. We know from experience that it is easy to kill telephone trade by using the wrong salesman. In addition to soliciting our regular lists we mail a series of postcards twice a year, explaining our telephone facilities and inviting prospective patrons to make full use of them. In each new order delivered, also, we insert advertising matter telling of the unusual articles which we believe may be bought satisfactorily by wire. It is surprising how little urging our people need to follow suggestions."

A successful druggist in a Long Island town has applied the same telephone formula to the solution of his selling problem.

**W**INDOW displays, postcards and circular letters are inexpensive ways of telling prospects that every telephone line leads to your phone order desk.

"When I came here," he explains, "I realized that I had to compete with six pharmacists who had been on the ground from five to ten years. I turned to the telephone as an aid in building up a business and started a "Telephone your order" campaign immediately. I had some advertising folders and posters printed, featuring the sentence "All telephones lead to Blank's." Then I framed up a window display exploiting my telephone plan of buying. The idea was not new, but the window



was such an innovation in the neighborhood that there were few passers-by who failed to stop and get its message.

“The window itself was simple: a semi-circle of tables laden with goods, and in the center of each table a telephone was connected with a central table by visible wires. Signs told the public how I gave telephone orders immediate attention and how telephoning would save unnecessary trips. On any of the specialties in my store (and a druggist’s stock is coming to contain a tremendous number of these) the telephone order would save much time. Before my new service was a month old my sales had passed the mark where my store was safely established. Since that time there has been a steady, satisfactory increase, which I attribute, first of all, to the harnessing of the telephone to my ‘hunt for customers’.”

Telephone talk should go straight into the transmitter. The lips should be placed close to the mouthpiece, almost touching it. Even in the ordinary small store, there are innumerable noises which, though apparently of no consequence, frequently interfere with perfect transmission. So far as possible, every sound should be excluded from the circuit except the voices of customer and clerk.

The position of the telephone when in use is a detail frequently overlooked. The instrument should sit flat on the counter, showcase or shelf. Warn employees against picking it up and joggling it about. Such use accomplishes nothing in the way of efficiency; it is liable, on the other hand, to bring about disarrangement of the delicate mechanism. Have the telephone sales force sit, if possible, when doing this work. It avoids weariness and promotes cheerfulness. Lay stress on the “telephone smile,” for it is worth many dollars to you.

Telephone receivers should never be jangled rapidly when it is necessary to attract the attention of the operator. The hook should be worked slowly up and down. This is the only safe way of attracting the attention of the operator. When she answers it is an easy matter to say, "Please transfer this customer to the Cloak Department," and so forth.

The managers of a large Philadelphia store ran across an unexpected difficulty soon after launching a telephone sales campaign. Their idea appeared to be gaining in favor, but its development was hampered through the lack of a proper credit system for telephone buyers. They decided to take a chance on such credits and announced that any telephone subscriber in good repute with the telephone company was free to open a charge account by wire. Investigation convinced them that the telephone company inquired so thoroughly into the standing of its subscribers that its reports would prove a trustworthy basis on which to deliver merchandise.

**P**EOPLE can reach your counters with far greater ease  
by the telephone than they can by any other means  
of communication—capitalize this valuable advantage.

The advertisement announcing the innovation brought a swift flood of telephone orders. The men back of the idea, however, were not rash. Their invitation to all telephone subscribers to open accounts had certain strings attached to it. When credit was requested by wire, for example, by an unknown person, if a small amount was wanted the order was approved for immediate delivery; but, in cases where heavier amounts were involved in the initial order, the regular channels were used to investigate the prospect's standing before the goods were allowed to leave the store.

At every step of your telephone instruction drive home the idea that you have installed your more or less elaborate equipment for but one purpose—to get customers and make sales. Ill-advised use of that equipment will prove harmful even to the largest concerns. Your people, when they get the right thought, will realize that telephone service costs money, and that inefficient use of it may cost the house more than the service itself amounts to.



**T**HE department store must base its success or failure upon some groundwork or foundation, the same as that upon which all effective selling is based. As in all sales, success is made of, and reducible to, certain units which have varying importance, a large majority of these being essential to success. The merchant who makes a success of department store selling, therefore, is the one who has the best grasp upon these essentials which are the component parts of general salesmanship, plus those special essentials peculiar to the business of a department store.

<sup>\*</sup> —W. G. Chamberlain

Vice-President, Skinner, Chamberlain & Company

## PART II—ORGANIZING AND MANAGING THE SALES FORCE

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### *Men—Not Things*

THE great factor in selling is the human factor, and not the things we sell. The things must be right, of course, but it's people who buy and use the things, and therefore, it's people whom we must interest and deal with in getting rid of things.

Too many business men are paying too much attention to the things they make and not enough attention to the people who make them, the people who sell them, and the people who use them.

The efficient sales manager is essentially a manager of men—not things. He must know his line, it is true; but, far more important, he should know his people—the staff who sell his products, the customers who buy his products, and the consumers who use his products.

The sales force must be made efficient, loyal and enthusiastic; the dealers must be made permanent and friendly cooperators in the house's selling campaign, and the consumers must be made regular buyers, satisfied users and enthusiastic supporters.



**WALTER H. COTTINGHAM**

*President, The Sherwin-Williams Company*

## IX

# HIRING AND HANDLING SALESMEN

By W A Waterbury  
Sales Manager A B Dick Company

**A**SK any extensive employer what class of men he finds it most difficult to obtain and he will almost invariably tell you, "Good salesmen." This is not because the supply of salesmen is limited, for there are always plenty of applicants for any open sales position. The emphasis in the employer's reply is on the word "good." The world is full of would-be salesmen who are trying to sell goods and who in their own minds think they possess the knack of selling. But the supply of really good men in the selling profession—if it may be called such—is distinctly limited.

To the employer this scarcity of good men is especially unfortunate because selling is the most important division of the business. On his sales the success of his business depends and when he lacks an efficient force to dispose of his goods to the consumer, the support of his business fails.

Born salesmen are spasmodic salesmen. As a rule they are not evenly balanced, and their results are an uncertain equation for the manufacturer to depend upon when figuring on output and general expenses. I prefer the steady workers; the man who grinds, but whose results show a healthy and continuous increase. Give me a man with a good backbone, susceptible to in-

struction, willing to absorb and with a disposition to obey orders; and I will assume the responsibility of his becoming a successful salesman.

There is no definite source from which to obtain men for the sales department and no one best way of reaching salesmen when they are wanted. Newspaper classified advertisements are unsatisfactory because they yield an abundance of applicants, a large majority of whom are entirely unfitted. Many employers find space in trade papers an excellent way for getting in touch with salesmen. These advertisements bring fewer responses, but the men are usually good salesmen and have acquired experience in the particular line the paper represents.

*GOOD salesmen are not easily picked up, and manufacturers frequently follow a policy of training inexperienced men to sell their particular lines.*

But whatever method of reaching salesmen is employed, good, experienced men are not easily picked up, because once a firm secures a good salesman it is not anxious to let him go. Recognizing this difficulty, many firms have adopted the policy of building up their sales force from new and inexperienced material.

The greatest care and discrimination should be exercised before any man is accepted. Much will depend in considering an inexperienced applicant upon his personal appearance and evident ability to meet and interest others; for personality is an all-important factor in salesmanship. Back of this, however, he must have a foundation in education and general character.

Some men's success is to be attributed to a purely individual characteristic. It has been said that "some salesmen succeed by knowing how to talk—others by

knowing how to listen." The wise sales manager is always on the lookout for half-hidden evidences of peculiar traits in new men which he foresees as possible of development into sales ability. Very often a recruit picked up by chance suddenly turns out to be a star salesman.

"Some three years ago," said an official for a large Chicago clothing house, "a young man of promising appearance, who said he had had some experience as a salesman in a small western town, applied to me for a position in my sales department. It so happened that we needed a man and, not having one in mind, I thought it would do no harm to give him a trial.

"As a matter of precaution, however, I told him to accompany one of our experienced salesmen for a week to get a broader viewpoint and a business-like manner in meeting the trade.

"He joined our man in a territory new to our goods and which required a salesman of considerable charm and impressiveness to blaze an opening into the trade of long popular rivals.

"After watching our salesman at work upon an apparently hopeless customer, the novice asked to be allowed to introduce our goods to the next merchant in the town, one who was thought equally opposed to trying a new firm.

"His request was granted, more for amusement than hope of success. Not only did the novice make a good first impression with a prompt and direct line of talk, but he approached the proposition from an entirely new angle and with a strikingly original presentation of his stock samples.

"In less than ten minutes he had made a sale and secured the promise of further trade. What is more to



the point, he returned to the first 'hopeless case' and made a sale.

"That young man is one of our most valued salesmen today, with every prospect of advancement in good time to the highest position in his department. His ability to make himself valuable, to make opportunities for advancement, was his best starting capital."

Organizing a sales force means as much as anything getting together a homogeneous body of men, each one recognizing the responsibility of his individual position and the success of his individual efforts, and all pulling in the harness to a common end. Nationality does not enter into this selection, but honesty, loyalty and confidence are requirements that can not be ignored.

One man may have undoubted ability in certain directions, or in certain fields, but may be weak in others. Failure in one does not necessarily imply failure in all, and a weak man in one locality may be a power in another.

**G**IVE a man a chance to overcome the disadvantageous location and conditions which may be behind his apparent failure, before deciding against him.

If my first impression of such a man were favorable, I would transfer him to another field or another line of work. Location or conditions may have had much to do with his apparent failure, and I think it will generally be found more profitable to try him elsewhere than to sacrifice what has been spent in time, labor, and money in educating him.

In choosing salesmen I select men who will be loyal. A man can not serve two masters. It is a great temptation to some men to handle a "side line," and opportunities are plentiful. When a salesman enters my employ he is

given to understand that no money must stick to his fingers but that which comes from me. He cannot handle a "side line" and do justice to my interests. I must feel that every moment of his time is being given to the work and figuring how much he can increase my business—not that of someone else. I consider my interests of sufficient magnitude to occupy his entire time, and I cannot divide his services with another. Out of hundreds of salesmen I have employed in the past ten or fifteen years, I can not point to a single one who has been disloyal. Nor could a man long deceive me. His work would show indifference, even if knowledge of his disloyalty did not come to my attention from other sources.

I do not think the temptation to handle "side lines" is so great with city salesmen as with traveling salesmen. The city man is working in a more thickly populated and congested field, where the business hours are shorter and his time is more fully occupied, but there is temptation for the traveling man who is away from home for long periods at a time, and beyond the observation of the home office. I can offer this advice to every salesman—steer clear of "side lines." There is nothing in them in the long run. And to employers—organize your men so that "loyalty" will appear on the face of every one of them.

Having selected my man, I endeavor to inspire him with confidence in his ability to handle my interests successfully. While it is not necessary to relinquish control of my affairs, or my right to conduct my business according to my own ideas, there is always a way to do this without making him feel that he is only an automaton. I believe in giving a salesman the greatest possible freedom of action consistent with the conditions of the business. I impress upon him the re-

sponsibility which is resting upon his shoulders, the value to him as well as to me of his success, and the importance of obeying orders, adhering to facts, and getting business.

If his opinion differs from mine on certain matters, he should remember that I am in touch with general, while he is familiar only with local, conditions, and that I have probably sufficient reason for thinking differently. In any event, he should appreciate that his responsibility ends when someone above him assumes it, and that he is only a working part of a machine which can not perform its functions successfully unless every part moves without friction.

**C***CAREFUL observation, self-control and close application combine to give the average salesman his stock in trade—ability to read human nature.*

I do not want a salesman in my service whose honesty or loyalty is under suspicion. The physical as well as the moral effect is injurious. He is a weak part in the machine, the collapse of which at an unexpected moment may disarrange the adjustment or operation of the entire business. If I have lost confidence in him I find myself unconsciously withdrawing my support and my interest in his success, which, of course, cripples the business in his field. If such a suspicion arises, I have it out with him and give him the opportunity to clear himself. I make allowances for the fallibility of human nature and recognize the fact that all men may at times be honestly mistaken. If my suspicion is not removed, he must go. In justice to my loyal men I am unwilling to feel that there is a traitor in the ranks, and I can not have my business handicapped by an uncertain quantity.

**"Salesmanship"** may be interpreted as **"ability to**

read human nature." It is not to be assumed that every man aspiring to become a salesman possesses this qualification at the start, but careful observation, self-control, and close application will enable him to develop it. It is quite as important that a salesman should be a good listener as a good talker; quick to perceive when he has said enough. A salesman will at times sell his goods by talking, at other times he will get his order quickest by letting his customer talk. Ability to read human nature will enable him to determine when he has said enough.

I keep my business in such condition that it can not be interrupted by the resignation or removal of any man in my employ. A few moments at the close of each day is sufficient to give the home office details of what has transpired with the trade, a brief synopsis of which in condensed form is available whenever needed. A duplicate of this information should be retained by the salesman. There is a disposition on the part of some managers to avoid letting a salesman "know too much." I believe that a salesman can perform his work more successfully when in possession of all the facts and conditions affecting the business in his own field.

The possibility of his leaving my employ and entering that of a competitor does not alarm me. Business men are, as a rule, broad gauged men who do not seek advantages from betrayed confidences, and salesmen who undertake to profit by them discredit themselves and only lose caste with their employers. Furthermore, I make it a rule to have an understudy for every man in my employ; one who, if the machine is crippled suddenly or unexpectedly, can take up the broken ends and continue the work without interruption or injury to the business.

I know every day what my salesmen have accomplished the previous day, the corresponding day last month and

last year, and a statement of this in condensed form is furnished to each man monthly for his own information and to let him know that I am watching his business. The effect is beneficial, as no conscientious salesman likes to see confronting him evidence of falling sales.

I avoid nagging letters, do not find fault with a salesman, criticise his methods, or tell him after a thing is done, that I will not support him. If he has erred, I show him in a friendly way how and why, but I support him in what he has done and make him feel that I am supporting him. Selling goods is not always the pleasantest occupation, and there is nothing that will take the ambition out of a good man quicker or more effectively than a fault-finding letter from the home office. If he has outlived his usefulness, or ceased to render satisfactory service, I dispense with his services, but do not find fault. Salesmen are, in a measure, creatures of circumstances, having their moods, and are susceptible to surroundings. They have their "on" and "off" days. The continuous grind demands relaxation. Good business braces them up and enables them to store their energy for reserve, but poor business has a depressing effect, and they are obliged to call on that reserve. Nothing will exhaust it quicker than criticism from headquarters when they are doing their best, and encouragement is what they need. For days after, their spirits are depressed, and they are an injury rather than a benefit to the business. A good salesman does not need prodding, and he who handles the correspondence at the home office should be a man of tact and even temper, and one not likely to allow any personal feeling to creep into letters to irritate the man who is getting the orders.

I do not say that the man who does what I do, and what I recommend, will have all smooth sailing. There

are annoyances that enter into the conduct of any large business employing a force of men, but the general application of these ideas has worked successfully with me. My business moves like clockwork, without friction, and I have yet to find a better plan.



**EVERY** merchant of middle age remembers the time when his business was built practically on his personal acquaintance. Then Mrs. Jones traded at Smith's because Mr. Smith was an elder in her church; and Mr. Jones bought his clothing at Brown's because he and Brown were members of the same lodge.

A business on such a foundation is valuable just so long as the proprietor is able to spread his personality over the entire community. By and by, when the town ceases to be a village and becomes a city, he is unable to know every one by name or to come into frequent contact with a large proportion of his possible trade through social or religious or fraternal methods.

To his surprise he finds that other men—now younger than he—are taking away from him even those old customers, those old personal friends whose trade he instinctively felt he owned. Then he learns that personal good will is a very unstable asset. Unless his business receives an infusion of new blood or new methods it languishes and finally passes away.

—Ben B. Hampton

## X

# TEAM WORK AMONG SALESMEN

By W. A. Waterbury

Sales Manager, A. B. Dick Company

**E**FFICIENT sales organizations cannot be created in a day, neither can they be purchased outright. They arrive at a state of perfection only by a process of evolution calling for careful judgment and wise discrimination in selecting the material to be used. There must be on the part of both manager and salesman implicit confidence in the merit of the goods sold and unwavering loyalty to the interests mutually represented.

The selling end of an organization may be compared to the motive power of a vast and intricate machine, affecting the dividends according to its strength or its weakness; each unit is a cog in the driving wheel, which, if weakened or impaired, fails to deliver its quota of power to the machine.

This development must come to a great extent from the inside rather than the outside. The successful building of a sales force is largely dependent upon the ability of the employer or sales manager to exercise judgment and discrimination in the selecting, training and handling of his men.

When an applicant has been accepted by the sales manager, he should be put through a course of training designed to fit him for presenting well the firm's goods. The amount of training necessary to equip a salesman for

the road depends upon the nature of the goods he is to handle. For selling to an established retail trade only a general knowledge of his line is essential, combined with the faculty of making friends and building up business for the house.

But the salesman introducing direct to the consumer an expensive product, such as a vacuum cleaner or a typewriter, requires a much more extensive preparation. In the modern sales training course he begins with study in the factory, where he follows first hand each step in the manufacture of the product, observes the reason for each part and learns how to adjust and repair it. Following this he is trained in sales talk and sales arguments. He masters every selling point and learns how to meet every usual objection.

**H**OWEVER *well and carefully you train a salesman, he will be of little use unless you guide him wisely from the home office with instructions and advice.*

Giving salesmen a specific course of training is a radical change from old time methods. More and more the employer is coming to prefer the trained man. But, however carefully a salesman may be trained, he cannot do his best work for the house unless he is wisely handled after he takes the road. This requires exceptional tact on the part of the sales manager, for it is seldom that two men on the same force can be handled in exactly the same way. Some require constant encouragement; some need an occasional word of criticism; with others a judicious word of praise here and there is sufficient to keep them at their best. To be most successful the salesman should be in constant touch with the home office and continually posted with all important information.

Ideas vary as to the best means of keeping up en-



thusiasm in the sales'force. Many of the larger concerns in the country publish a house organ for the salesmen through which each man learns of the work and success of the other men on the force. Many believe this one of the best incentives to increased endeavor. Others, however, take very little stock in the idea of increasing sales efficiency with "ginger talk" from the home office.

"There is only one way to make a salesman enthusiastic," says a sales manager. "Give him something that has true worth to sell; make him believe that it is the very best thing of the kind on the market; give him an opportunity to make money at the work; and you will find your man selling goods for dear life. The article that the salesman gets enthusiastic about is the one he believes in, has faith in, and, above all, can make money on."

Both attitudes contain an element of wisdom. There is no doubt that a salesman will do better work if he has the assurance of constant support from his manager and is given enthusiastic talk either through personal letters or a house organ. But no sales manager would think this support sufficient. Every salesman wants to make as much money as his ability will bring him and he is deserving of an opportunity to do so. The relative value of salesmen should be carefully watched and each man given opportunities and remuneration in proportion to his demonstrated ability to sell goods.

We are not original. What we own we enjoy by inheritance or acquisition from others. We are simply telling an old story in a new way, modifying it to meet existing conditions. No one man can claim a monopoly of all the qualifications for successful salesmanship, but knowledge is power, and he who has most of it, coupled with the best ability to utilize it, enjoys advantages that

should contribute largely to his success. A salesman feels stronger if given to understand that he is of sufficient importance to his employers to have his views receive consideration, and he returns to his field of labor with an added sense of responsibility and a desire to do still better.

No sales force can work successfully unless it works as a unit. There must be perfect harmony between manager and salesmen, and, likewise, perfect harmony between the men on the force. This should be every manager's ultimate aim—to cement the relations of the entire department so that valuable information will be shared in common. One of the best methods for accomplishing this is to get the men together occasionally to talk over their difficulties and any new sales ideas they have picked up. Such meetings get the men out of the old rut and instill them with new vigor and enthusiasm.

**T***THIS is the story of how "the chief" got the driving power of enthusiasm behind his sales force of nine men and landed new business from an old field.*

"When I joined the city sales force of an eastern typewriting house," said a successful salesman, "there were nine other men in the local territory. Everybody worked for himself—we talked things over casually sometimes, but had no general discussions.

"Finally some one diplomatically suggested to 'the chief' that we might profitably get together in his office once a week and go over our various problems. He agreed to try it out—the change was marked. We picked problems to pieces, and with everybody lending a hand we landed prospects who had never before been sold.

"We developed along the easiest lines first, trying to get the most business for the least effort. We worked

harder on individual\*follow-up letters. We kept a careful record of the information we secured and a brief account of every attempt to land business. Conversations with new prospects were reported in detail and a summary made in our index, so that our memories could always be refreshed.

“Every now and then we devoted a morning to going over our entire list of local and out-of-town business and finding out how we stood. Our index never forgot. We landed many a man simply because by working together we were able to collect arguments to swing him our way.”

Aside from the hints and helps that the salesmen can gain from such meetings as these, and from the few rules which every firm naturally lays down, the men on the road should be as free as possible from regulations and restrictions. Rules invariably restrict individuality—a salesman’s greatest asset. The average salesman knows his local territory much better than his manager, and freedom to proceed as he thinks best will show the greatest returns.



**F**IND out the chief task of your talk. Concentrate your arguments upon it. Only that will bring you success. Scatter the seed of selling talk throughout your conversation. Till it with diplomacy. A crop of success is sure to follow.

—Edward P. Hatch

General Manager, Lord & Taylor

## XI

# USING CONTESTS TO SPUR ON SALESMEN

By Walter H. Cottingham  
President, The Sherwin-Williams Company

**H**OW shall the executive bring organization into his work—system into his driving—in order to use his steam to unwasted advantage? He has this problem to solve: he must regulate his own ambitions and devise a plan whereby he can inculcate his spirit of enthusiasm into his force. Only by a system—that is, by something that will work automatically, precisely, accurately—can he secure the fullest returns from his striving.

The top man who is the fountain head of enthusiasm in a business, must have a natural spring within himself to draw on. Then only can he inspire the man under him. You can transform the ordinary horseshoe into a magnet by rubbing it against another horseshoe already magnetized, and from the second piece of iron a third can be magnetized; but somewhere, away back in the beginning of the process, there was a lodestone, which got its power direct from mother earth—where it had lain for ages.

So with enthusiasm in a business. The salesman in a far corner of the country has it pumped into him by the district agent above him; the district agent is infected by the enthusiasm of his division manager; the division manager catches the spirit from the sales manager, the general manager, or the president; but some-

where up at the top must be the fountain head, which of itself is constantly bubbling up the spirit that puts "go" into the organization.

How shall an executive tap this spring by which he may enthuse himself and infect others? Let me emphasize that never, as long as he is working for the love of gain alone, will he find the spring. Such an aim will not bring the highest success—even in money. He must play the game for the sake of the game—there must be the desire and joy of doing things, the spirit and willingness to put in his utmost strength because he enjoys his work—because he wants to make a success of it—because he wants to be a prize winner in the world's great race for achievement.

**M***EN who buy and sell squarely for more than the mere gain from a sale or a year's profits will find it easy to urge on their men with contests and prizes.*

Going back even a step farther—in order to reach this condition, a man of business must, first of all, have the business instinct in him; he must like to buy and sell. He must be a trader. Many a boy shrinks from the brutality and danger of the football field; he will never make a star player. The boy who is eager to hit the line with a thud, even though he be thrown back with an ache running down his backbone, who takes a fierce joy in leaping over the waiting tackler's head even at the risk of being caught in mid-air and pulled down to the frozen ground—that is the boy who becomes a point-maker for his team.

So in business—in order to do his best a man's work must be congenial to him. There are businesses and businesses—there are conditions and conditions—there are kinds and kinds of work. It is only when the busi-

ness, and the conditions, and the work just suit the man—or he makes them suit him—that he can put forth his utmost strength. The first great essential, therefore, to the executive in his striving, is to play the game and enjoy it.

The second requisite is a definite end. The marksman who had no bull's-eye to aim at never made the top record. The business striver who has no goal in view will never reach success. I believe in knowing just what I am doing, and where I hope to land. I always strive to make others strive for something a little farther ahead, but I always know the exact point ahead which I hope to attain, and I have figured out the steps I must take to reach that point. This means a great deal of study and preparation. For the sales manager, for instance, it means that the condition of his whole working field, the financial condition of the country, the circumstances in each salesman's territory, his ability, the character of his customers—all these and a thousand other details must be taken into consideration in setting the mark for his men.

With this data at hand the goal to be reached can be set at a reasonable limit, within the probability of attainment. If it is not put within bounds, the men will think that this is only another dream, another "bluff" on the part of the sales manager to work his men to the marrow. That puts the wrong spirit into the workers. They will figure that, like the horse trader, he is putting the mark far enough ahead so that he can split the difference and still get what he wants. The result is that they will do more than their share in splitting the difference. Put the goal within bounds—legitimate, sane, and probable—and all concerned will join in their efforts to reach it, and will be gratified beyond measure if they

can only pass it and so show the man at the top that he underestimated their hustling ability.

As I have said, this requires study and preparation. It is a delicate thing thus to figure out what the aim should be. There are human elements involved—the vagaries of human nature—the sensibilities of men.

To adjust this delicate organism brings the first necessity for organization and system. The head of the factory or of the sales force is like a general; he should know everything that is going on. But details should be placed before him in proper form, condensed and classified; otherwise he will be overwhelmed with a confused mass of facts. The information that the head of a department or business should have, can be conveyed in wonderfully small limits. He should have three kinds of reports, each filling its own function: daily reports, to keep the manager in touch with current conditions; weekly reports, to allow him to make comparison between present operations and those of previous months and years; monthly reports, to give a broad perspective, to allow of comprehensive analyses and comparisons.

Daily reports from the sales department should record the number of orders received, quantity of each product sold, and any special information from the territories traveled. Weekly reports should show the same information for the six days' work compared with same week of the previous year.

Then come the more elaborate monthly reports, showing fuller details. Monthly sales department reports should show in detail the sales of each territory and line of goods compared with former years, expenses of each territory and cost to business secured, days at work in the territory, towns visited, new accounts secured, orders booked, special work done, and any other information

which may be required.

With such a system, the chief has as much vital knowledge as each private—and more than all put together, because in his mind all this knowledge is properly coordinated and related.

**EVERYTHING** *that loyalty can offer should be given to the head of the sales force, for he is like the general during a battle and needs a strong following.*

With this information and the hold that it gives him, the next necessity in such an organization is perfect obedience to his commands—not the obedience which comes to the tyrant, but the obedience which is given by one set of intelligent men who know their business to another man who knows their business a little better, and who they know knows it a little better. Even though he has obedience, the chief has not perfected his system of striving until he has instilled his spirit of enthusiastic work into his force; not until the lodestone has touched the iron horseshoes, have they the power within them.

I believe there are simply two factors in this matter of instilling enthusiasm into a force. In the first place, there is the personality and the ability of the man at the top. I have said that he must be earnest and sincere in his work, a player of the game for the game's sake, that he must have the source of the enthusiasm within him.

The successful manager is, primarily a manager of men—not things. He must judge them, influence them, train and develop them, and above all handle them—and handling in the subtle meaning that implies sincerity and tact and force, and that gains confidence and co-operation.

The first factor, then, is the personality of the man-



ager. No rules can be laid down for this, aside from the general characteristics of such a man, as I have discussed them.

The second factor is the spirit of competition. A game is a game because there are in it the elements of winning, of beating the other fellow. The manager's liking for the game comes, in part, from the fact that he is beating the manager of another concern, that he is pushing his company ahead of others.

To the private in the ranks the same competitive incentive must be furnished. He takes some interest in the company's standing, of course, but that is far away from him, and his work plays only a small part in that. But the salesman must meet competition with the salesman in the territory next to his; one department foreman competes with the foreman on the floor above him. That is where the competition lies; between these forces the competitive spirit must be aroused.

Here there is greater danger than in any other part of the system. Bitterness, strife, jealousies—these too often walk with competition. And better be there no competition than these accompaniments.

**F**AIR and even competition, conducted in a cheerful, friendly spirit for known ends, brings out the best in men and avoids both bitterness and jealousy.

If the competition be made fair and even, if it be conducted in a friendly spirit and with the confessed intention, not of having one man beat another, but of bringing the best out of each man—then these dangers can be avoided. Just as certain horses are handicapped so as to even the chances and intensify the sports, so in this competition the most careful study must be given to handicapping. If this is not done the weak man will

say: "I can not excel anyway, so why should I try to beat the star man?" The star man will say: "I will be at the head anyway, so what's the use of hustling?" Evening the chances intensifies the sport and increases the hustling.

The best basis for competition in a live sales department is to estimate the results of all the different features of a salesman's work as closely as possible in advance. First, the country should be divided into territories that can be conveniently and economically reached by railway transportation. A careful record should be kept of the number of towns in each territory, with the population. Reports should show the number of towns worked and unworked, a list of present customers and prospective customers, and a statement of present business by individual customers.

With this information carefully compiled an estimate can then be made on the basis of present business and unworked possibilities. When this figure is arrived at, it makes the mark for the salesman. Then comes the mark for the sales manager—which is the aggregate of all territories—and for the division manager—the sales for his entire district—and for the general manager—the entire sales for all territories, all divisions and all districts.

The estimate fixed, the aim then is to see who can secure the largest percentage of gain. If the estimate is arrived at with good judgment, the competition will be fair and the man with a limited field will have the same chance as the man with an unlimited one.

If the award is to be perfectly just, the other considerations involved in selling, besides the mere gross sales, should be given places in making up percentages. The cost of securing business is the most important of these

minor factors; the man securing the lowest percentage of expense to sales should get good credit. Gain over previous years' business, towns visited, orders secured, new agents appointed, complaints, cancelled orders and bad accounts—these are some of the other factors to be considered.

In practice the best method is to assign a certain percentage to each of these factors; gross sales, for instance, might be given sixty per cent—that is, this one thing would count for a little over half; percentage of expense to sales might count for ten per cent. Then give each man his per cent on each of these factors—near or far from this assigned figure according to his results. The addition of all his percentages gives the final standing of each man. With this competition there should be a reward. However a man may like a game, he will work just a little harder if he knows he will be paid for the extra effort. The giving of a substantial reward also puts the affair on a business footing. The men can not ask then, "What are we going to get out of this?" They will see that their house is willing to divide with them the rewards of increased business.

**H**YPOCRISY *gives a shifty, false foundation for a sales contest which will fall away like sand; ground your game of selling on good, clean conditions.*

As a last thought, I wish to emphasize that however good the system, however strong the incentive, real enthusiasm can not be built on hypocrisy. Unless the goods which the salesman has to sell, which the factory worker has to make, are of high quality, I can not see how the spirit that I have been speaking of can be aroused.

There are good reasons for this.

I have said that in order to work up enthusiasm for striving in others, a man must have enthusiasm himself. He can not have such a spirit unless he has faith in his goods, unless he believes that they are the best, or that they have the quality he is talking.

Hypocrisy is a rotten foundation upon which to build enthusiasm; it is a poor base for any business. The salesman who must constantly talk what he does not believe, who is always uttering specious arguments, whose chief selling characteristic must be mendacity—such a salesman, instead of developing, must surely degenerate, not only in his business ability, but in his transactions with his own house. You can not expect a man whom you compel to be insincere in dealing with others, to be sincere in his dealings with you.

The salesman does not regard a position with a house carrying poor goods as permanent. And permanency is the chief necessity in building up an efficiency instilling enthusiasm.

Most important of all, selling good goods, goods in which you have faith, goods that you think are going to make the world better—that gives the whole game interest and satisfaction. Here is the thought in a nutshell—merit begets confidence, confidence begets enthusiasm, and enthusiasm conquers the world.



**T**HERE is no such thing as hard luck in salesmanship. "Hard luck" is the term we sometimes use in referring to difficulties or hindrances—the circumstances that impede our progress. Yet this very resistance is indispensable to our progress. The bird with its wings and the steamer with its screw apply themselves to the hindrances of their progress and overcome them. If their motion were not obstructed progress would be impossible.

—Harlow E. Bundy

President, International Time Recorder Company

## XII

# WORKING WITH THE HOUSE

By William F. Hypes  
Sales Manager, Marshall Field and Company

**W**HAT one thing above all others do you try to impress upon your men on the road?" a sales manager asked me.

"I try to make them understand," I answered, "that ability to sell is not the only quality needed in a salesman. Show them that simple ability to land orders will not qualify them for our sales force unless at the same time they follow absolutely the instructions of the house and attend promptly to the details of their work."

Every day that I sit at my desk and watch reports come in from the men in the field, I wish I had a more forcible way of saying or demonstrating the truth of that statement, for I know that some of those men must learn it sooner or later through sad experience. Every time I see new men start out with their samples, I wish again, for I know that some of them are going to fail because they do not realize the importance of the warning.

Time after time I have seen the brilliant beginner fall down for no other reason than that he let his own magnetic ability to take orders blind him to the necessity of watching the shag ends of his business. And again and again I have seen the mediocre man develop into a star because he recognized instructions from the house

as commands—demanding immediate execution—and was just as particular about his daily details as about the size of his orders.

Of this routine work one phase overshadows in importance all the rest. No one omission on the salesman's part causes more trouble for all concerned than neglect in checking his samples and price lists with the house bulletins on stock shortages and price changes. Done promptly upon receipt of the house notices, this work is a comparatively simple matter; allowed to run until several bulletins have accumulated, it is one of the salesman's chief bugbears. Failure to check up is the certain forerunner of orders that cannot be delivered and the making of price quotations which will get him into serious trouble.

**W**HEN *the salesman is on his route, representing his house from president to stock boy, there is need of cooperation between him and the home office.*

Let me illustrate. A salesman starts out on the road with his sample cases, catalog and special price lists. In order that he may truly represent his firm, there must be an intimate spirit of cooperation between him and the house. The house wants to know of his movements and his business transactions; and he must, of course, keep in the closest possible touch with the home office.

The first of these requirements is fulfilled through the orders that he sends in and his daily, weekly or special reports of sales, routes, expenses and conditions of trade in certain localities or with certain dealers. Every one of these reports receives careful attention in the house. The orders are booked for delivery, special contingencies in trade are met, as judgment dictates,

and the personal record of the salesman's movements is watched in the sales manager's office.

For the salesman's benefit, the house, in turn, sends out each day or week a bulletin of information and instructions. There is a general statement of trade conditions gathered from hundreds of reports and reflecting the perspective standpoint of the house. There is advance information on styles and fashions and new talking points that have been developed regarding certain goods, either in the house or by other men on the road. But specifically, and most important of all, these bulletins list those goods which for any reason have been exhausted or called off sale, and other goods on which it has been found necessary or advisable to change the price quotations.

If the salesman acts upon this information with an attentiveness corresponding to that which the house gives to his reports, what will he do? He will immediately correct his price book, special price lists and catalogs, and at the earliest possible opportunity will check up his samples, discarding or marking out those withdrawn from sale.

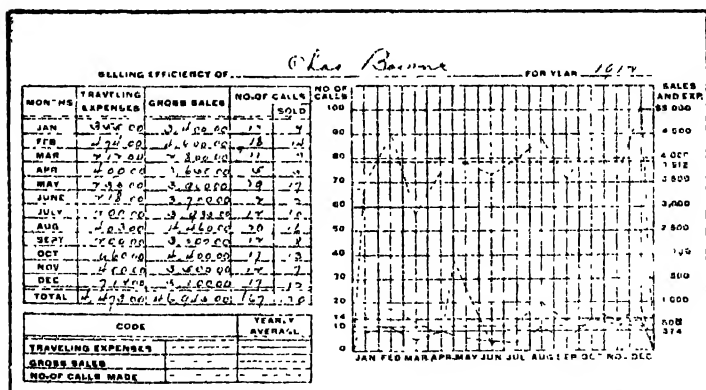
This, admittedly, is detail work, distasteful to many an easy going salesman, who depends upon the charm of a strong personality to entice large orders. But it is an essential—an absolute essential—to the man who wants to secure the confidence of his house and his customers and score a permanent success in his work.

If he does it promptly each time he receives a weekly or special notice of stock and price changes, he is always sure of the accuracy of his quotations, he knows that every order he takes is a bona fide order and can be filled at the house.

But how about the other, the take-it-easy salesman?

He glances over his house notices and tosses them into his sample case for future attention. The next morning—or a week later—he drops in on a regular customer. He lands a big order, and books it, with never a thought as to whether it can be delivered. His own samples and price lists indicate no “outs,” and while he is in conversation with his customer he has neither the time nor the inclination to refer to his bulletins. The result is that several items go on the order that have been called off sale—and three kinds of trouble are immediately started.

The first man affected is the manager of the department receiving the order. Here is a request for unavailable goods, and he knows that every man on the force



**FORM VII:** The form here shown is given to the salesman to fill out and carry in his order book. It forces him to compare traveling expenses with gross sales. On the chart we can plot each month's business from the table, and at the end of the year draw in his average for each item.

has been informed. He has the salesman's receipt showing the date the information reached him. He gives free expression to his opinion of such work and reports the salesman's oversight to the sales manager.



But that is not all.<sup>o</sup> He must write the customer, explaining as best he can that the goods were out of stock when his order was received. Possibly he tells him when the goods are expected in stock again and suggests a substitute in the meantime. At best it is a diplomatic operation.

**S**ALESMEN *start three varieties of serious trouble when they sell goods not in stock—for themselves, for their superiors and for their customers.*

Then comes the second bit of trouble—the customer receives the letter of explanation and his order, short the much needed goods. Righteous disappointment puts down a black mark in his mind against both the salesman and the house, and he is removed one degree from becoming a permanent customer.

Possibly he complains at once direct to the house. At least he has opportunity to express himself the next time his order is solicited. How many salesmen have had the unpleasant experience of walking in on a supposedly permanent customer only to find that the order has gone into the book of a persistent rival? Yet it happens every day for no other reason than that a promised shipment failed to come. “Why should I buy of you,” says the dealer, and justly, “and get uncertain deliveries, when I can buy of Brown and Company and be sure of receiving my goods?”

The third bit of trouble is the concentration of the two previous complaints—it is properly directed at the salesman himself. He comes in from the road and finds on his sales manager’s desk not one, but a half dozen complaints due to these omissions—orders that could not be filled, prices quoted that could not be confirmed, specific evidence that the details of his road work had been

neglected. His sensational initial orders and his record breaking days are forgotten by the sales manager, who is seeking not only to make sales, but to inspire the confidence in dealers, to build up a permanent trade.

"But I was too busy," explains the salesman. "I have been selling goods day and night. Would you expect me to waste an hour of valuable time on this work when I could be selling three or four hundred dollars' worth of goods?"

But has he been selling goods, in the strictest sense? Is the sale worth while if it necessitates negligence that breeds complaints and dissatisfaction? I believe any sales manager dealing with the general trade would rather see a somewhat smaller order that can be filled with absolute satisfaction than a record breaker which is going to bring another load to the complaint department and make demands upon the diplomacy of every man who handles it.

**R**EMEMBER that there is more to a sale than the figures, more than today's profits, for an order is not rightly handled unless it builds for future business.

Slack attention to details has left many thousand salesmen stranded. Every sales manager knows them. He has met them only too often during his own days on the road—wonderful order-getters, some of them, but all with that fatal fondness for the uptilted chair, the comfort radiating stove, the companionship of a man with the proverbial story, when an hour in the sample room with the week's bulletin and a blue pencil would save a hundred errors.

Some of what I have said here may seem strong, but if there was any way of making salesmen realize the importance of this warning I should make my statements

stronger still. If men on the road would only remember that there is more to a sale than the mere sale itself, that an order rightly handled should always be the entrance to more business, that a customer is not a real customer until absolute confidence makes the salesman and the house in his eyes his business partners, then they might realize that one complaint may lose a firm's most valued customer, that one detail omitted may cost business that can never be regained, and that sooner or later their negligence will lose them their positions.



**W**HEN *you know only as much as your rivals, you must, other things being equal, keep their sales level. It is through those things which have been discovered by you alone that you get the upper grip in selling.*

—Arthur E. McFarlane

## XIII

# POINTS TO WATCH IN THE EXPENSE ACCOUNT

By W. A. Waterbury  
Sales Manager, A. B. Dick Company

**E**XPENSE accounts are unknown quantities—unfathomed and unfathomable. From the moment the traveling man starts out you have the feeling that money is being spent by someone far away; you cannot know what it is being spent for; you do not know whether the expenditures are in your judgment wise ones and in the interest of your business; you do not know whether the same conservatism is being used that you would use under parallel conditions. In a measure you do not control your own finances—a condition that must always be unsatisfactory to any business man. I know there are as honest men among traveling salesmen as in any other walk of life, but there always will be an inherent desire among business men to control their own finances and know for what their money is being expended.

An expense account is susceptible to the greatest elasticity. No two business men or no two traveling salesmen may agree on what constitutes legitimate expenses. Every business man recognizes the necessity of spending money to get business, but there is a point where legitimate expenses end and illegitimate expenses begin. On this point there probably always will be honest differences of opinion.

Among the simplest of legitimate expenses are transportation, living expenses, laundry, and entertainment. I make no particular reference to such miscellaneous items as postage, excess baggage, telephone and telegraph, expressage, and other necessities, as there is seldom any difference of opinion about them.

Traveling expenses are divided into car fare, sleeper, excess baggage, local street car fare, bus, cab, drayage, livery, porter's tips, and check room. These will usually be found to cover the legitimate items of traveling expense. But how are they to be audited? Does car fare mean the cost of a railroad ticket from one point to another, or does it mean the personal mileage of the traveler? Does it mean riding on a limited, extra-fare train, or an ordinary passenger train?

**R**AILROAD accommodations are responsible for many expense account arguments—is it right to sit in the smoker and charge up two dollars for a lower?

Here is where there may be a difference of opinion. Will the traveling man whose house pays his expenses charge up limited rates and ride on the regular passenger train on his own mileage or on a scalper's ticket or a pass? How is the house to find out, and who is right—the house which maintains that the mileage rate, or the best actual price at which the transportation can be secured, is the correct charge, or the traveling man, who argues that the house should stand the full passenger rate and that if he can save anything, the amount saved belongs to him? This question is argued every day in the year.

How often does a traveling man charge up a sleeper fare when going a moderate distance and travel in the day time or sit up part of the night, justifying his con-

science with the thought that if he is willing to inconvenience himself or deprive himself of comforts, the house has no cause for complaint? I maintain that the employer has just cause for complaint. If the house is willing to pay for the comfort of the salesman, the salesman has no moral right to exhaust his energies and unfit himself for business the following day by depriving himself of proper rest which his company is willing to pay for and expects him to take. This point should be firmly impressed on every representative of the house. Violations of this rule should be dealt with promptly and summarily in order to convince the selling force that the house is entitled to all the benefits that may come of better accommodation for its representatives.

Excess baggage is an annoying account to many concerns. A good cigar has tempted many a baggage man to overlook excess baggage or to pass it under its limits, but the excess seldom fails to find its way to the expense account. Who gets the benefit of this saving?

How many nickels and dimes creep into the local transportation account that do not belong there? This is one of the easiest accounts to "pad" and one of the most difficult to check with any degree of accuracy. One can, with fair accuracy, audit an account accompanied with vouchers, but local street car fares carry with them no receipts.

Many enterprising hotels which want patronage, operate buses, but what business ever saw "free bus" on a salesman's expense account? A hotel may be but a block or two from the station, and a street car line may carry a salesman in half the time, but the bus or cab fare appears in the expense account with alarming regularity.

Laundry in proper amounts is a legitimate expense. Laundry items may always be accompanied by the bills

as vouchers or included in the hotel statement, and are usually easily watched. Money spent on clean linen is a good investment to any business house. Furthermore, the duties of a traveling man are such that laundry bills are necessarily larger than he would be obliged to pay if he were at home.

Living expenses and hotel bills are other accounts beset with evils and abuses. A business house is charged with a hotel bill of perhaps four dollars a day. Its salesman is stopping at an European plan hotel, paying one dollar for his room, eating a la carte, and clearing on his expenses easily two dollars a day. It is generally useless to ask a hotel where a representative is supposed to have been staying for an itemized duplicate bill. If the communication is acknowledged, which is doubtful, it is usually answered by a curt note, stating that it is against the principles of the hotel to supply information of that nature. The traveling man's patronage is desirable and profitable; information that might betray or embarrass a guest would reach other salesmen and the hotel would lose business as a result.

The per diem allowance for traveling men's expenses is also an unsatisfactory arrangement. It is usually accepted by a traveler as a challenge to manipulate the allowance to his own pecuniary advantage. The receipted hotel bill is not always to be relied upon. Accommodating clerks recognize the value of traveling men's patronage, when approached for receipted bills that differ in amount from the sum actually paid. The business man who does not know these practices are common may be losing a large amount of money annually. If he does know it he cannot help feeling doubtful as to whether his own money may not be leaking through these and similar channels.

It is true the loss on one man may be trifling, but with a house that employs twenty to a hundred or more salesmen who are out the greater part of the year, the aggregate loss often represents the difference between a satisfactory dividend and insolvency.

I am not attacking the honest traveling man. His character is unassailable and he needs no defense. I maintain, however, that these practices are often indulged in and with all the scrutiny possible cannot be altogether eliminated.

**P**ROTECTION *against possible expense errors finds no objections from the average traveling man, removes temptation, and gives net profits a fair chance.*

But how are these evils to be corrected?

Different concerns have different methods, of which perhaps no two are alike. I have found it economical to make hotel arrangements from headquarters. I select the hotel I want my travelers to patronize. I have the rate understood in advance, and insist that my company's representatives go there unless they prefer to go elsewhere at their own expense. Hotels are almost always glad to depend upon such patronage, and I have usually found them disposed to give excellent accommodations and terms. They are frequently willing to give a two dollar or two dollar and a half rate when a three or four dollar rate would be asked over the desk. I have found a material saving by following this course. I know what my business can afford to pay, and there is slight opportunity for the hotel bill to be padded when following this plan.

But what shall be said of the entertainment account? It is an account that any business house would gladly see wiped off the list. Some concerns are forced to



tolerate it, but they do so under mental protest. They recognize it as an indispensable evil, and groan under its weight in helplessness. Personally I have long since stricken it from the list of legitimate expenses. While it may be necessary in isolated cases, I have more frequently found it a source of evil, an element of danger and a temptation to an otherwise honest man. It is likely to lead to extravagance far in excess of any benefits that may come from its universal application. I do not wish to be understood by this that I will not allow a proper expenditure that will result in getting business. I impress upon my traveling men, however, that I am opposed to entertainment expenses on general principles. I judge others somewhat by myself, and know how I feel when a salesman solicits my favors and uses as a bait a cheap cigar, a worse dinner or a ticket to the "show." Some men will accept these courtesies, but it is a pretty safe rule to lay down that the man who offers them is held in less esteem. I have tried both ways. I cannot point to any business lost by failure to buy it, while my house is many dollars richer by prohibiting the practice.

**A**SK your salesmen always to explain *entertainment* items with the results secured and put them on their mettle to make every dollar count for sales.

While the entertainment expense may not be altogether eliminated, I have found it a good plan to provide for its explanation on the traveler's expense report. If they must "buy" business, I want to know how much they are paying for it, consequently the expenses must show in detail in the expense report, fully itemized as to meals, drinks, cigars, theater tickets, livery, and other details, together with the name of the person entertained, whether or not an order was obtained.

These details are valuable in two ways. In the first place they give accurate information on the amount of money which is being spent and the purposes; and, second, they put the salesman on his mettle to make such expenditures—which he knows are regarded with more or less disfavor at headquarters—count. No salesman likes to see items for drinks, cigars, dinners, and the theater going in on his expense account unless they are accompanied by liberal and profitable orders. He studies to keep them down to a minimum, with the result that the house is richer annually by an amount that cannot be understood until the practice referred to has been put into actual operation.

As indicating the extent to which this feeling toward the traveling man's entertainment account is shared by business men, I discussed the subject with the principals of twenty extensive employers of this class of work. Summarizing their positions, I found that eighteen of them were unanimous in wishing that the entertainment feature could be eliminated altogether



*THE sales manager's policies established, his attitude toward customers determined, he must shine upon them by the reflected light of his salesmen. Therefore he must impress his policies and his personality and his methods upon his salesmen so that they will rightly represent him and use uniform methods in handling customers.*

—F. J. Selden

Western Mailer, The Rumford Company

## XIV

# MAKING A SALES CONVENTION PAY

By W. C. Holman

Former Director and Advertising Manager,  
National Cash Register Company

**I**N SUGGESTING how to plan and prepare for a sales convention, I would lay stress on the fact that the presiding officer holds the key to every situation. The success or failure of the convention depends entirely on his ability to direct, vitalize and control the convention and its discussions.

Suppose you have chosen a good presiding officer. When the convention first assembles, he won't make a few feeble remarks and fade away into the background. He will grip that convention with the force of a live personality. He will make a key-note speech that will jar the most indifferent salesmen loose from their seats on the back benches—electrify the convention—give it a tone that will last through its sessions.

Have him thrill each man present with the thought of the importance of the meeting—the fact that every moment of time is precious—that ideas will be brought out worth hundreds of dollars—that star men will tell the actual methods by which they are making big incomes—that no one present can any more afford to be careless, listless, or inattentive than could a baseball player engaged in a championship game. Have him show the necessity of good feeling in discussions, harmony in decisions—the value of good argument, and the idiocy

of mere pugnacity or belligerency. Let him enumerate, *in advance*, the faults that the company desires speakers to avoid, and so shower these faults with ridicule that no one will dare commit them.

Placard your hall with printed sayings that will constantly remind all present of the good characteristics you wish the convention to show. Have some one hunt up terse, epigrammatic sayings to bring out strongly the points you wish to make, such as, "No man knows it all," "Only fools and dead men never change their minds." "When we stop learning we stop growing," "Don't speak unless you have something to say, and when you have said it, sit down." "A cat can be indifferent; a fool can laugh at an assembly of wise men; but only a man with a brain can be attentive, quiet, thoughtful." You can unearth dozens of such sayings to hang on the walls. Every one will have an effect.

**L**ATE arrivals kill the spirit of the convention and disturb speakers—have the presiding officer put promptness to a vote and call the roll daily.

Take a firm stand at the very outset against the prevalent habit of coming to sessions late. Have your presiding officer emphasize the importance of every moment of the convention. Tell the members that "coming-in-late" kills conventions, starts every session under a handicap, upsets speakers, creates confusion and is absolutely without excuse in ninety-nine cases out of a hundred—that it is just a fool slip-shod human habit. Have him talk in such a way that men who come in late will sneak in—feel ashamed of themselves. Tactfully get the men to express their own opinions, to vote, at the very start, as to whether they want promptness in assembling. They will all vote "yes," however some of

**I—THE BUSINESS—ITS OUTLOOK**

- a Talk by the general manager or president about the firm, its history and present prospects.
- b Talk by presiding officer on the purpose, program and value of the convention.

**II—TRIP THROUGH THE PLANT**

- a Seeing how the product is made and handled. Expert guides to explain processes to the new men.
- b Meeting the department heads. Have questions and answers all prepared.

**III—ANALYSIS OF THE PRODUCT**

- a Analyzing the product and bringing out its superior qualities.
- b Answering kicks from salesmen.

**IV—HOW THE PRODUCT IS SOLD**

- a Showing its applications, value, selling qualities, and so on.
- b The old fields and opportunities.  
Have star salesmen talk on these topics.
- c The new fields and opportunities.  
Have company officers talk on these topics.
- d Experience meeting; questions to be answered by company experts, with discussion by members.

**V—HANDLING THE APPROACH**

- a Getting to the man with the power to sign the order.
- b What is necessary to know about a possible customer before introducing yourself.
- c How to size up the possible customer's wants.
- d Experiences in making approaches.  
Sales manager, officers and field men who are old in the business.  
Answers to questions.

**VI—DEMONSTRATION OF GOODS**

- a How to prepare a demonstration.

**FIGURE VI:** The program for a sales convention here shown plans to give the new men a detailed knowledge of the product and provide at the

- b Arranging room and seating possible customer; or, if in his store, how best to show your goods.
- c Demonstrations and sales talks by field men; criticism by members and leaders of the convention.

#### VII—HANDLING PROSPECTS

- a List of typical objections to the product. Give about ten seconds to the securing of each objection.
- b How to answer them. (Limit each man's talk.)
- c How to analyze objections and use sales manual, if you have one.
- d Answering objections and questions that members find difficult.

#### VIII—WHAT COMPETING LINES OFFER

- a What you will have to meet.
- b Competition advertising and selling claims. Have some of these brought forward by salesmen.
- c How to meet them.
- d Show competing products and make comparisons.
- e Questions about competition.

#### IX—NEW PRODUCTS

- a Their value and market.
- b When they will be ready.

#### X—HOW DEPARTMENTS COOPERATE

- a Explanation of advertising, accounting and factory methods.
- b How to handle daily reports.

#### XI—THE COMPANY'S POLICIES

- a Explanation of the company's methods of doing business.
- b Its rules and customs as they relate to customers, the selling force and all employees.

*same time interesting news of policy or progress for the more experienced salesmen who have attended many previous conventions of a like general scope*

them may act afterwards. Get the men to vote to call the roll at the beginning of every session. A magnetic presiding officer can easily do this. Include the big men—the home officers delegated to attend the convention—in the roll call, and have them show brains enough to set a good example in the way of prompt attendance.

All these measures will help cut late coming to a minimum. But they will not secure prompt opening of all sessions. Men will straggle in, after a session or two. In fact, I have known but one firm that solved this problem absolutely. This was a Chicago concern, employing one thousand salesmen, which regularly held conventions of branch managers, assembled from all over the United States and Canada. At one convention, the president, who had been annoyed by the coming in late habit, had an inspiration.

He went to one of the branch managers whom he knew well. The branch manager arose in a meeting and said, "Gentlemen, I was late in coming to this session. I was late at the last session. Upon reflection, I know that I am without excuse. I could just as well have reached the room on time. I insulted the first speaker and the whole convention this afternoon when I came in late. I hereby apologize. I wish to go further. We are all members of one family—all friends working for a common end. We are here to get all the good we can out of this convention. If I am late again I am willing to suffer a slight penalty—and I think others would be. I notice that there are a number of rulers on these desks. I propose, that after this meeting we all lay in wait for men, like me, who have had a habit of coming in late, and that any man who arrives more than a minute behindhand, be paddled like a tardy school boy."

I was present when this speech was made. Its reception amazed me. The sixty dignified branch managers, over-lords of one thousand salesmen, laughed like children. Some one shouted: "Second the motion. Put it to a vote." The meeting passed the motion unanimously. At the next meeting, several men were late. The others—laughing with glee—paddled them as they dove for their seats. After that, no more men came late to convention sessions of that concern.

**G**ET salesmen out of the habit of dropping into rear seats by explaining that a scattered audience and empty front seats worry the average speaker.

Another very "human" habit that kills the effectiveness of conventions is the custom we all have of dropping into rear seats in a hall. No one but a public speaker knows how important it is to him to have his audience gathered closely about him. Empty seats before him here and there, a scattered audience, the consciousness that some men are too far off to hear him distinctly, and are outside the magic circle of his influence, will make him stammer and stutter, will check the flow of his ideas, will take the "pip" out of him like a shower of cold water.

The writer attended a convention of a thousand business men a month ago—owners and executive officers of concerns. He was amazed to see these prominent men, efficient in their own concerns, deliberately reducing the efficiency of one of their sessions by scattering themselves all over a huge hall, many of them sitting far back out of hearing.

At the next session just enough chairs were placed in the vast hall to accommodate the audience—and they were all arranged within easy ear-shot of the speakers.



People had to sit down in front or stand up. The tone of the whole convention<sup>t</sup> was changed by this simple expedient. Yet out of a thousand men, only one thought of it. It is a good plan in small conventions, to assign each man a place, just as you place dinner cards at plates at a banquet.

If you can, use chairs that have projecting writing arms, so that men in the audience can make notes. Provide note paper and pencils—desks if your convention is small.

Don't let men take notes beyond suggestions for themselves of points they want to bring up. If you can stand the cost of a convention of all your men, you can go a step further and have a relay of stenographers in readiness to take down all good points brought out, and pay to have these good points gone over, sifted, arranged, and mailed out to the men after the convention. Don't let a man weary himself so much, taking down the good points in one speech, that he will neglect five good speeches, crowded with points, that come afterwards.

Besides, a man taking notes steadily is in a passive or receptive mood. You want every man present to be in the opposite mood also—to have a mind free to think of suggestions, free to make them. You don't want any man to feel chained fast to his desk and notebook.

Still another habit tolerated in most business conventions—hundreds of them—is that of permitting men in the audience to carry on long, though subdued, personal conversations during the sessions. Two men talking quietly but earnestly to each other in a convention, can take the attention of a whole surrounding circle of men off the speaker, distract his mind—set other men to talking—lower the whole tone of the convention—often make

it absolutely impossible for the speaker to go on with any effectiveness. Above all, don't allow groups of three or four of your salesmen to start rival conventions in the rear of the hall.

One first-class presiding officer that I know has a habit of breaking up all such incipient conversations by contriving to ask one of the conversationalists, with apparent innocence, what is his opinion of the idea the speaker has just expressed. He is suave and courteous, but as effective in stamping out the conversation habit as if he ordered offenders to the torture rack. He never gives offense, but no one except accredited speakers talk in sessions which he conducts.

Discussions are the bane of conventions. Yet they are absolute necessities. Men of different opinions will, of course, take part. How to conduct them to a definite, conclusive end—how to choke off long-winded speakers and keep wandering speakers closely to the subject—how to stir up interest and get many men to contribute ideas—these are the highest arts of a convention chairman.

The average salesman seldom has a chance to address a large audience. When he gets an audience at his mercy he has a tendency to talk as if he were wound up like an eight-day clock.

**R**AMBLING introductions are a common fault which the tactful presiding officer overcomes by inducing salesmen to start right in with a point.

Washington Irving, in his humorous history of New York, states in his introduction that in order for his readers to understand why the Dutch settled in New York, he must go back a bit. He thereupon goes back—finds he has to go back still further—repeats this process

again and again, and finally begins his history of New York after an introduction of nearly one hundred and fifty pages—all of which, he pleasantly states in the last of them, are totally unnecessary. Then he plunges into his real subject.

Salesmen have a tendency to give "Washington Irving" introductions when they speak—take half a mile's running start to finally jump over an ant hill of an idea in their minds. It seems incredible, but any one who has attended many conventions knows that there are salesmen with "brass" enough to rise without a real idea, and begin to talk expecting that by and by they will think of something worth saying.

Let no man lead up to his point. Make him feel that it is the sense of the convention that he should start right in with a point. Let no man ramble along with an empty head. Make all feel that it is the sense of the convention that each speaker should have his thought worked out before he rises to make a sound in the convention hall. A good presiding officer can do these things. A poor one can't.

The problem is to induce salesmen to talk briefly without offending them—to insure that they give a maximum of ideas in a minimum of words—that they feel ready to bob up eagerly with suggestions, and equally willing to sit down as soon as they have stated the "meat" in their thought. Too much warning that you want brevity will result in having good men with ideas decide not to talk at all. Too much laxity, too much over-blown courtesy, too much unwillingness to curtail a man's expression, will result in the meetings being turned into windstorms of words that will fog the issue, weary the audience, and turn the whole convention into the typically stale, unprofitable gathering.

Make it clear that you don't want to choke off any man who has ideas—but that what you want are ideas and not words. Say something that will start the shy and silent men and drag them out of the corners they naturally seek. Often they are the soundest, ablest thinkers, if not the loudest talkers in the room.

Now, I come to an expedient that once turned a convention that was like the Sahara desert—all valueless—into what the president of the concern called the most fruitful convention the company had ever held.

According to the nature of each discussion, set a time limit for each speaker before the discussion begins. There are occasions when it is better to have 100 men speak thirty seconds each—than to have one man speak fifty minutes. Have a man with a watch and bell on the platform. Warn him to strike the bell the minute a man has spoken thirty seconds—a minute—five minutes, or whatever other time you have fixed as the limit according to the importance of the discussion.

**A**NNOUNCE *a fair time limit for speeches and use a gong to mark the last second; then make an example of the big men of the company by holding them to it.*

Have some big men—preferably officers of the company—ready to speak first—let them exceed their time limits—then have the bell struck on them and let them sit down—even if they quit in the middle of a sentence. Such handling of the officers of the company will prevent all salesmen who follow from thinking they are unfairly treated when they are made to sit down. Apply the same method to all salesmen who follow, no matter how interesting their talks may be.

A word about getting men to “give up” their good selling points. The mere assembling of your men in a

convention will not achieve this result. No man will tell a salesman how to sell if that second salesman is free to sell in his territory. To do so would be suicidal. Adopt a "guaranteed territory" plan if you want your salesmen to give up their "star" expedients or methods; that is, assign each man a territory and let no one else sell in it. At least, see that the salesman who has that territory gets a commission on all sales made in it, whether he makes the sales or not.

If you have the "guaranteed territory" plan, your men will talk freely at conventions—give you their very best.

Never let a man talk on a topic that is not before the convention, no matter how valuable his ideas are. Stop him instantly when he diverges—tell him that what he is saying is important, and that you want him to say it—but at the proper place in the program. Keep his good will—but also guard the convention against getting switched off the program.

Point out, if you are the presiding officer, the value of ideas that have just been given. But do this briefly—forcefully. Make short summaries of discussions showing what has been brought out. Show enthusiasm about what has been done, and about what is coming. In this way you will keep your convention interested and enthusiastic.

There is a time for red-fire, sky-rockets and outbursts of wild shouting at all good conventions. That time is the close of the convention. Plan for this as carefully as you plan for anything else. Have a dinner to close up the meeting. Get some rousing speakers. If you can, have the men sing songs about their product—their concern. Spring some announcement upon them at this time, if you can, that will get them to cheering. Speak

with pride of your organization—your men—your product—your future prospects. Turn all your enthusiasm loose, and all the enthusiasm of everybody present loose, and wake the stars with it. If you have had the right kind of a convention both you and your men will be in the mood for it. And there will be no cursing at the hotels and no regrets the morning after. Your convention will have cleared away difficulties, tied your men to the concern with hoops of steel, and multiplied the sales power of your organization many times.



**SUCCESSFUL** salesmanship depends upon the confidence men may place in your talk. Like every other line of business, to foster confidence is to build success. If a man takes confidence in you from your conversation you can sell him. You cannot make sales where confidence is lacking.

—Hugh Chalmers

President, Chalmers Motor Company

## XV

# INCREASING STORE SALES BY QUOTA

By Edward Mott Woolley

**H**OW much does it cost me in clerk hire to sell a pair of shoes?" a retail shoe dealer asked himself. Primitive though the question seemed, he had never figured out the problem. All his calculations of selling expense had dealt only with lump sums.

By consulting his books he found that his total gross sales had been \$196,480. The total cost of this stock was \$140,986, leaving a gross profit of \$55,494.

However, when he calculated his store expense, including the interest on his investment and his own modest salary of \$2,500, the net profits were shown to be only \$411.29.

This, he believed, was a dangerously poor showing, for, while it returned him a living, in addition to five per cent on his investment of \$50,000, it left nothing to go into a reserve fund, and only a few hundred dollars for extensions. He did not want to put back into the business the \$2,500 which he itemized as interest on his capital, for he believed this sum should go to make up an independent domestic reserve. At the same time he wanted a business reserve in order to provide against financial disturbances or some catastrophe like fire, flood or hurricane, or against extraordinary competition. Under existing conditions his business hung in danger;

any untoward event might send it tumbling down a declivity.

As he scrutinized the items shown in the expense table, most of them seemed fairly fixed. And yet, when he footed the total of labor items, including his own services, he was astonished to discover the total to be \$24,884. This was the human expense of selling a gross volume of about \$200,000 in goods. It included his overhead labor costs as well as the direct clerk hire.

**H**UMAN *energy takes a larger share of the expense account than any other single item and you can standardize it as well as your supply or merchandise needs*

With the other items of expense, aggregating something over \$30,000, this chapter has no concern except as they have a bearing on human energy. This factor—human energy—was what the shoe merchant commenced studying. While watching his clerks wait on customers, he conceived the idea of studying and analyzing their methods and detail motions in selling and setting up a sales quota.

In his preliminary investigations, one of the first questions to suggest itself was this: "Is there any standard by which I can determine the number of persons I really need in my selling organization and fix a sales quota for each? Given a gross volume of about \$200,000 in sales, can I measure accurately the physical energy necessary to handle it?"

Inquiry among a dozen other shoe dealers in his home city revealed an astonishing difference of opinion on the subject, and showed that no real standard existed. One large dealer placed the number at fifty, while others ranged in their estimates from twenty-five to forty, these figures including the overhead organization of the store.



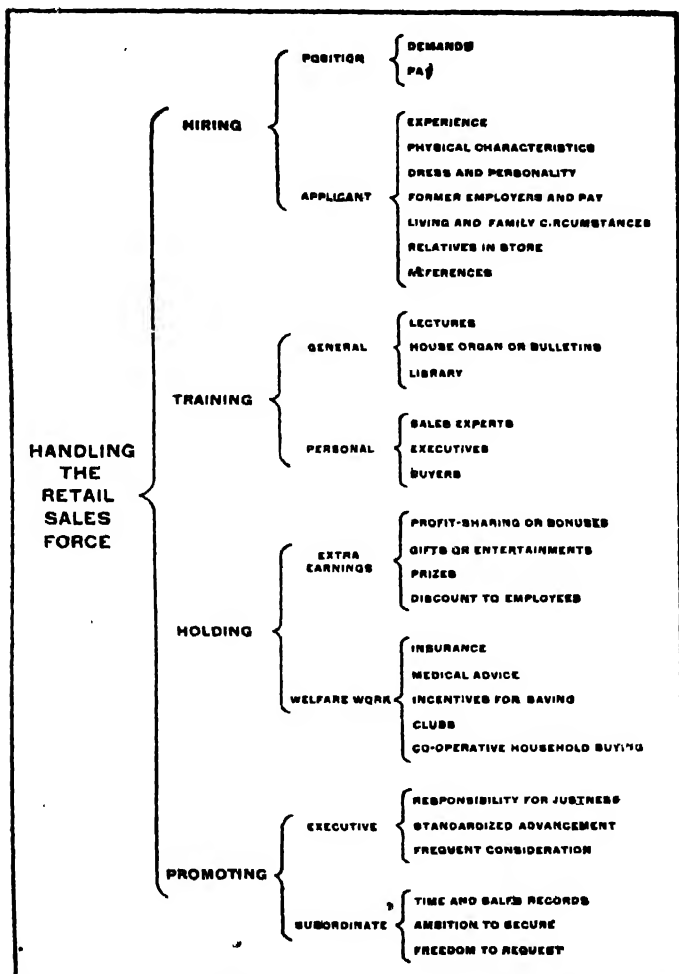
The gist of his inquiries indicated that a shoe clerk might, under unusually favorable circumstances, sell fifty dollars' worth of shoes in a day. But the next day, more than likely, a lot of whimsical customers would come along and consume such a heavy percentage of time that the day's total might not exceed twenty-five dollars, while a few lost sales, after the expenditure of a high percentage of selling time, might easily reduce this to eighteen dollars or less.

In smaller communities where he inquired, however, the salesman's quota seemed to be higher; that is, to sell a dollar's worth of goods required less physical effort. In one small shoe store the two clerks showed an average of seventy-five dollars a day apiece, during a rush period of several weeks. This difference may have been accounted for partly by the fact that the rural store was kept open in the evenings; but, considering the duller daylight hours as compared with the city stores, conditions seemed about equal. In this small store, too, the overhead organization was much less expensive.

**V**ISIT other stores in your neighborhood and find out if your best salesmen are selling goods at the sales pace customary in your competitors' shops.

Judged by the prevailing custom in the city stores where he inquired, the investigating merchant found his organization above the average efficiency. He had nineteen selling clerks, and an additional force, counting himself, of ten persons. Measured by the gauges he found elsewhere in his own city, he should have had from twenty-three to thirty-five selling clerks, and a corresponding increase in the overhead force.

This was a discouraging beginning. It did not seem possible at first to reduce the number of employees.



*FIGURE VII: The hiring of the employee is the first step in the effort to measure human energy with sales quotas. After he is once on the pay roll, his selling power is increased, as here shown, through carefully planned training and a definite prospect of promotion. At the same time, through extra earnings and welfare work, precautions are made to hold him*

Dividing his gross sales by the number of his selling clerks he found that the daily average of each clerk for the 307 selling days of the year had been about thirty-three dollars. Estimating the sales actually made by himself and his chief clerk, this average was cut down close to thirty dollars a day. Calling the average sale \$2.25, and the working day, ten hours (the half hour allowed for lunch was usually offset by the completion of sales after the closing hour), it was found that the average sale required forty-five minutes and cost about twenty cents in clerk hire.

Watching these conditions day by day, the merchant became impressed more and more with the analogy between manufacturing and selling. If one underlying philosophy could be applied to both, then, he decided, he might arrive at some basic factor for ascertaining selling efficiency.

The lack of any basis for standards, however, puzzled him for several weeks. It was difficult to measure this selling factor of clerk hire. The profits of shoe stores, it seemed, depended on elements outside of wages, rent, decreased or increased advertising, delivery conditions, general expenses, shrewd buying, and the class of goods handled. Had some of these stores cut their pay rolls to the relative proportions of his own, their profits would have been high. On the other hand, had he increased his pay roll to correspond with those of certain other shoe stores, he would have lost money heavily.

In other words, this relationship of clerks to gross sales or to net sales seemed very largely a matter of individual opinion.

So, not having any established standard or precedent worthy of full acceptance, he set about the task of establishing a standard for his own store alone. Whether or

not such a standard could be taken by some other store did not trouble him. The problem was: "How many persons, working at their full normal efficiency and under proper conditions, can handle an annual volume of sales amounting to \$196,000? What is normal sales quota for a clerk?"

It was very clear, of course, that in selling operations there are variables that do not exist in manufacturing operations. The manufacturer might determine every motion and count every minute and fraction of a minute, while the seller must allow for time consumed by the whim of the customer.

For instance, one customer came into this shoe store and tried on a dozen pairs of shoes and walked out without buying at all. Another customer bought the first pair of shoes shown him. This was the variable element, not susceptible of accurate measurement, though perhaps calculable as a general average.

*THIS retailer discovered that the average clerk in his store sells a certain amount of stock at a cost which he succeeded in reducing by quotas.*

But this general average, day in and day out, set up for a clerk a sales quota of thirty dollars a day. In other words, it was costing around nine per cent of the sales to pay the salesmen.

The owner of this store questioned retailers who did not handle shoes. They spent varying percentages of their sales incomes on clerk hire but an average settled between five and six per cent. Good salesmen are needed to sell shoes satisfactorily, and the shoe dealer decided he could afford the higher direct selling percentage, seven per cent.

His actual percentage gave a sales quota of thirty

dollars a day to a clerk. The desired seven per cent quota would require each salesman to sell about seventy cents more a day. The total at the end of a year would increase his four hundred dollar net profit over tenfold.

He called his men together. "We sell about thirty dollars' worth of shoes apiece a day," he said. "That's an average over a year—you exceed it today, fall below it tomorrow, and about equal it over twelve months. I've looked into other shoe stores—they usually sell less to a man. That means you are better than the average. I'm proud and glad of it.

"But I find that retailers who market dry goods and groceries, and other things we don't handle, sell more to a clerk than we do. They are getting ahead of us. They pay about seven per cent of the sales for direct selling; we pay nine per cent. We sell thirty dollars a day apiece; they handle thirty dollars and seventy cents.

"Now I want you to equal that seven per cent record—to sell seventy cents more during the average day. It seems a little sum, but in the year it will be enough to ease me of a good deal of worry. The store is running so close now that I worry. Let's set a sales quota of thirty dollars and seventy cents from now on. Every Thursday night we'll meet and talk over ways and means."

The men caught their employer's spirit. "How's your sales quota?" became the store slogan. The Thursday evening meetings were clearing houses for suggestions and plans. Bulletins posted in the rear of the store gave each man's quota. The salesman with the highest daily average, under seven and one-tenth per cent, for a week received five crisp extra one dollar bills in his Saturday night pay envelope.

The proprietor found that neither enthusiasm among

the salesmen for the quota idea nor the weekly prize could be relied upon alone to cut the direct sales cost to seven per cent.

Careful study pointed many methods which could help hard work and team spirit, however. For instance, one of the clerks pointed out that the more experienced salesmen could be concentrated on the best paying class of work. A seventeen dollar clerk, say, gets a difficult customer, and the chief clerk, always on watch, sees that an unprofitable amount of time is likely to be consumed. Diplomatically he turns the customer over to a ten dollar clerk or, if he thinks the sale can be made, assumes the task himself.

A motion study and stock rearrangement also helped to secure the seven per cent sales quota. The proprietor of this shoe store plans next year to set a six and a half per cent quota.

"The quota plan is a winner," he says. "It gives you and the boys something to fight for. It makes you jog yourself up and look around for expense leaks. Reward your salespeople for getting the quotas you set, make the quota fair, and remember that increased efforts by the salesmen alone will not usually cut the sales expense radically. Then you will find that sales quotas build profits."

**YOU** can do what this shoe dealer accomplished and establish sales quotas which improve selling efficiency and give you a strong grip on expense.

If men can determine a standard relation between the output of a factory on the one hand and its equipment and labor on the other, you ought to be able to determine, with some degree of mathematical accuracy, what ratio the labor and mechanism of a store ought to bear to the

money volume of goods sold. You ought to know, for instance, whether sixteen or forty clerks are needed to sell \$200,000 in shoes, making due allowance, of course, for varying conditions. If some man's selling expense is \$1,000, while yours is \$1,800 under like circumstances, you ought to be able to put your hand upon the cause of your low selling efficiency—about fifty-five per cent. Better still, you ought to so regulate your business from the start that the percentage will be pretty well up toward one hundred.

The only way you can ever do this is by studying and standardizing all the conditions on which sales depend. You must standardize your selling equipment, that is, you must analyze, study and experiment until you are satisfied you have arrived at the best available devices and methods. You must get rid of your antiquated shelves and groupings and mechanisms—get rid of them by degrees as you work out your problems—and then you must train your selling force to use the standard equipment to its approximate maximum. And, having determined the task that a normally efficient selling force can accomplish, you must see that *your* selling force does accomplish that task, and you must reward it for doing so.



**SHOW** me a house where all the employees are educated to think kindly of the customers, so that in speaking of them they use courteous phrases, and I can safely predict for that house a rapid and continuous success so long as that policy prevails.

—Daniel Louis Hanson  
Sales Manager, The Federal Company

## PART III—DEVELOPING THE KNACK OF SELLING

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### *My First Rule of Salesmanship*

THE best and most successful salesman I have ever known is the man who tries to help his customer—who contributes something to his information and benefit every time he calls to see him—who makes it a point to remember certain things that he has seen elsewhere or heard, and then presents them unostentatiously to the mind of his patron in the next town he visits, and gives him the opportunity of adopting the suggestions or not as he may think best; it is the general principle of trying to do good, applied to salesmanship.

It is quite a simple matter for any traveling salesman to be of benefit or assistance to the merchants he visits. He has a broader contact or experience than the average retail merchant; he goes from town to town, and from store to store, and talks with different men each day; and if he is intelligent, he can measure up and ascertain the merits of different ways and methods of conducting a business.

The most useful men in the world, as well as the happiest, are those who have in mind constantly the desire to do some good to others.





**E. C. SIMMONS**

*Chairman of the Board, Simmons Hardware Company*

## XVI

# HOW TO TRAIN YOURSELF TO SELL

By W. A. Waterbury  
Sales Manager, A. B. Dick Company

**W**EBSTER defines science as "the study of a trade" and salesmanship as "the business of selling goods," from which we deduce "scientific salesmanship" as a study of selling goods. This is in contradistinction to ordinary salesmanship, which embraces only the simple exchange of merchandise for an equivalent. The individuals of this class are a drug on the market and are already too numerous. The title of "salesman" when applied to them carries with it no especial significance.

Scientific salesmanship, however, involves continual study. When the scientific salesman sells a bill of goods he applies his mind to a consideration of the surroundings and conditions governing that sale, to ascertain how he can duplicate it with less expense of time, labor, or money, and with a prospect of a greater amount of profit.

Scientific salesmanship does not necessarily require a college education, although no one will dispute the advantage of such a foundation to build upon. It does demand as faithful application as is given to the mastery of a language or a profession. The community is today burdened with salesmen of mediocre ability, while the man skilled in selling goods is eagerly sought by the

captains of industry and the leaders of our greatest commercial enterprises.

The scientific salesman studies his own character as well as his customer's peculiarities. He knows his own faults and tries to overcome them. If he is inclined to be careless in his personal appearance, he recognizes the effect on his customer and thereafter his shoes are polished a little oftener, his clothes are pressed more frequently and his linen is kept in better condition. These are small items, but they weigh heavily in general results. If his disposition is jocular it will not be long before he loses some important order. Too much familiarity breeds contempt, and a customer would better be approached with dignity and reserve. If there is any levity to be indulged in, let the customer have a monopoly of it until firm relations are established.

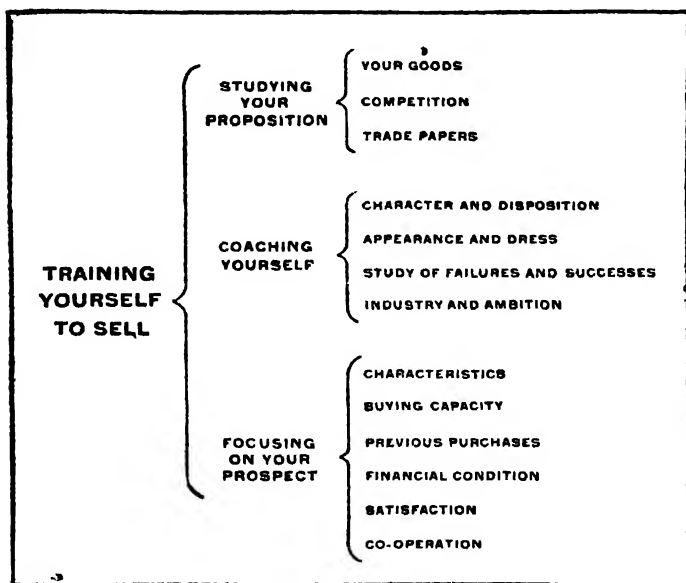
**POLITENESS** and self-control do not secure business of themselves, but they strengthen selling personality if not overplayed to the point of effusiveness.

The scientific salesman is always polite. This does not mean that he must be effusive to the point of offense, but first impressions are usually lasting ones, and the salesman who approaches a prospective customer in a brusque or indifferent manner has already prejudiced his standing. Politeness may not secure business, but I have never known it to hurt a salesman's chances. The scientific salesman studies not only to secure business, but to avoid losing it.

He should have absolute self-control. He has but one nature and one disposition, but is coming in contact with thousands, no two of whom are exactly alike. Methods that will be accepted without criticism by one man are odious and objectionable to another. The scientific sales-

man should retain such perfect control of his conversation, his temper, and his deportment that he will perceive instantly when he is on the wrong track and change his course. He can maintain his dignity under the most exasperating circumstances.

The scientific salesman is a close student of human



*FIGURE VIII: The factors here shown give you definite points against which to check yourself. Scientific salesmanship demands that a careful balance be kept between the three main divisions charted: yourself, the proposition, and the prospect*

mature. When addressing a prospective customer he quickly detects whether the occasion is favorable or inopportune for pressing his case, and if unfavorable, he withdraws diplomatically, leaving the way open for a future engagement. He appreciates the fact that a busi-

ness man may have far more important matters than his call demanding attention. Often I hear a salesman say: "I cannot get at Mr. Wilcox." The trouble is not with Mr. Wilcox, but with the manner with which, or the time at which, the salesman approached him. Mr. Wilcox is a business man and probably much like other business men, and there is always a time when he can be approached in a proper manner. The scientific salesman finds it. The ordinary salesman gives up and probably loses business that could have been easily secured had he given the problem a little study. I always attribute a failure to secure an audience to the inability of the salesman and never to the seclusion of the business man. The scientific salesman recognizes his weakness and studies to correct it.

The scientific salesman does not approach all men in the same manner. One man may be greeted with an outstretched hand, while another would consider it an act of familiarity and an affront to his dignity. To meet such cases discrimination, or, as we use the term, "science," must be displayed.

The scientific salesman knows how to record his impressions of his customer; he remembers what points to dwell upon, what points to avoid. He flatters his customer to the extent of addressing him by name instantly, by recalling previous conversations and correspondence. He makes his customer feel that he is not merely one among hundreds of others, but one whose personality has made a distinct impression, whose character has not been forgotten in the rush of business. A salesman who forgets the incidents of previous interviews or who confuses one customer with another handicaps himself at once.

✓ The scientific salesman must be shrewd but not de-

ceitful. He does not rely on misrepresentation to win business, neither does he resort to falsehood or intrigue to strengthen his position. He does not defame his legitimate competitors.

**S***TDY the methods of your competitors and plan to capitalize the fact that minds as keen as yours are on the road for the same business you desire.*

The scientific salesman makes a study of the goods he sells. If a manufactured product, you will find him familiar with the process of construction from the raw material to the finished article. He is best prepared to meet a competitor when he has a comprehensive knowledge of the goods he represents, their advantages and the quality of the material of which they are constructed. This information enables him to discuss his business more intelligently, makes him master of his trade and places his adversary, if he is without a corresponding knowledge, at a disadvantage. So far as practicable he will have a similar knowledge of his competitors' goods, but will say little about them, using his knowledge negatively but effectually, and thus will not be apparently hostile to a friendly competitor.

~~The scientific salesman studies the methods of his competitors.~~ The man who flatters himself that he has a monopoly of the science of selling goods will very likely find himself losing valuable business. Competition is keen and other minds as brilliant as his are working along the same channels; but knowledge is power, and he who possesses the greatest amount of it is more likely to succeed than he who thinks there is nothing more to learn. The scientific salesman does not ignore the methods employed by others in his own line.

He is persistent. He never takes "no" for an answer.

He reasons with himself to find the causes of his failure to win his customer's confidence, and, placing himself in the position of the man approached, considers his argument's appeal. Then he returns and tries again in another manner.

The scientific salesman is industrious. When he is not selling he is thinking. His mind is on his business. His attention is not divided with outside interests. He constitutes himself a standing committee on ways and means to devise new plans and execute new schemes. He keeps in close touch with his superior officers, seeks their confidence and gives them his, and establishes a closer bond of friendship between his customers and the house he represents.

The scientific salesman is ambitious. He is not satisfied with what he has done, but is always trying to do more. "Good enough" is not his motto. "Better still" is his constant watchword.

Can all salesmen become scientific? Yes, but some more so than others. The salesman who is content to travel in a rut, satisfied with just enough business to enable him to retain his position, will never attain much science in his work. He makes no friends, creates no lasting impression and adds no especial strength to the standing of his house. He gets his order because his customer happens to want the goods at a particular moment, or because he has made his price an inducement in itself. Giving away goods does not constitute salesmanship, nor does selling them at the least possible profit.

It rests with every man to develop the degree of scientific salesmanship he can command. It is not knowledge which can be bought, but which must be acquired by diligent, patient and persistent effort. The salesman

who will apply himself to secure it will not only be constantly employed, but will advance steadily in responsibility and, equally vital, will rise in the estimation of his employers, his customers and associates and most of all, himself.



**T**HE greatest factor in the success of any retail business is the courtesy and enthusiasm of the salesman. Men may talk about the savings effected through their system of buying, and all that, but we don't depend on the wholesaler for our patronage. It is the public that buys from us—the public whom we must please—and our only way of pleasing the public is through our salesman.

This is true not only of a clothing business, but of any retail store. Some men slam down their merchandise in front of you in a way that says, "Here's your goods. Want 'em?"

Good judgment in hiring men is what a store manager needs. You can't change a salesman's nature after he is hired, and a man has to be a good judge of human nature in order to pick his force right.

A man who could judge exactly right of an applicant every time would be worth his weight in gold. That is what lay at the bottom of Marshall Field's success; ability to choose men and to put the right man in the right place.

—Thomas J. Considine

Manager, Browning, King & Company



## XVII

# WHEN THE SALESMAN GOES TO SCHOOL

By B. C. Bean

**T**WENTY-FIVE years ago, the manufacturer made his line and considered his task ended. The salesman was counted upon to do the rest. So much was expected of him that less than ten per cent of all applicants made good; the rest fell down with loss to themselves and greater loss to the house. No effort was made in those halcyon days to educate a salesman. Schools for the purpose, either within the factory, or elsewhere, were unknown. Had they been suggested, the innovation would have been scouted and the innovator drowned in ridicule.

So the manufacturer was always on a still hunt for men with natural sales ability, and when he had sifted a few of them from the overwhelming mass of the unworthy, he turned his business over to them. They sold his product. All he had to do was to make it. The salesmen owned the trade. They held it in the hollows of their hands, and when it suited their convenience for any reason to change their allegiance they took the trade with them bodily.

That they should own the trade was inevitable because they had worked up this trade with infinite thought and infinite patience. The salesman took his new and untried goods, studied their merits and qualities. He "sold

himself" first, then went out and found his prospects and sold them. He created in each man a desire for the goods, and also the confidence necessary to make him purchase.

This whole process was strictly personal and based upon confidence in the salesman. And since each customer was obtained in the same way—by the same labored process, the whole trade as one man belonged to the salesman. Him they trusted.

He had won their confidence, and although good goods were then, as now, absolutely necessary, the confidence was in the salesman. The customer rightly reasoned: "This man is my friend; he has never deceived me in the quality of his goods; he sees fit to change his principal for reasons good enough for him, and good enough for me."

**T**ODAY the road is blazed for the salesman and his route scheduled through a sales harvest carefully estimated from statistics before he packs his grip.

The salesman worked up his trade, under the old method, in a slow and laborious way. The old war horses tell how they scarcely made expenses the first year, some going so far as to say they lost money. The next year they made the wages of a hired man, and so on, till they had their territories well in hand. Then they became, and rightly so, the autocrats of the road.

Under the old method, the salesman studied the possibilities of his line for himself. Each man made his own investigations. Each man developed his own selling talk. Under modern methods, the salesman is taught exactly how to sell—how to approach his prospect, how to interest him, how to demonstrate his goods, how to close the order. Every step has been worked out carefully by

old salesmen or by a specialist on selling. The resulting method is elaborate, systematic, exhaustive, and is improved from time to time as opportunity or experience suggests a betterment. *Every* salesman goes out equipped with better ammunition and a better plan than the *best* did under old methods.

Under the old practice, the salesman explored his territory and found his trade. Nowadays, this is all worked out in advance by the house. The routes, and even the time allowed to each town, are prepared for the salesman. He is provided with lists of all possible customers, their ratings, and any information about them which can be obtained.

Under the old plan the salesman created the interest in his goods. He had to do this for each sale and with each customer. Now this interest is aroused before the salesman goes out. It is done by advance selling talk in the shape of circulars, booklets, letters; in the case of an established line, by magazine and newspaper campaigns and other forms of general advertising.

Under old methods the salesman had to win the confidence of his purchaser. Now confidence in the goods and in the house is largely won by the character of the information sent in advance. When the line is not a new one which has been advertised for years, the question of confidence, even to a dealer who has never handled it, is largely settled before the appearance of the salesman.

Modern methods provide that the salesman be one of a trained selling organization. This organization may number one, one thousand, or any intermediate number. About the best selling organization I can call to mind consisted of one man. He was not only the entire selling force, but the administrative force, the advertising force,

and the manufacturing force, as well. Doubtless you have seen him also. He disposed of a wonderful headache remedy, and did not give it away, either. Having previously made up a quantity of the harmless preparation, he mounted a dry goods box on the corner and distributed his wares to all comers. Psychology was an unknown word to him and the principles of salesmanship were things of which he had no cognizance. But he was in himself a trained selling organization, which, though crude, was effective. He made up in organization what he lacked in equipment.

Far removed from the example given above, stands the selling organization of the Standard Oil Company. Embracing as it does a selling force which directly and indirectly may be said to number nearly a million, the result of the cooperation of big business and salesmanship is common knowledge.

**I**DEAL organizations develop salesmen with the growth of the force and assist each man with the combined experience of both his comrades and his superiors.

The ideal selling organization is one that is co-ordinate with the business organization, working along the same lines. This means that the salesman is developed as the organization develops and that he draws his knowledge of applied selling from the man or men above him, as well as from the wealth of his own practical experience.

The old idea was, and to some extent holds to the present day, that salesmanship is a thing apart from office management. The office manager practically took the stand that *his* was the work of management. The salesman was considered as a man in a business or profession apart from that of the manager. If the salesman looked to the manager for the solution of a practical

problem in salesmanship, the matter would probably be referred back to the salesman with the remark that this was a question of selling, not of management, and as such should come in the salesman's field.

Today the manager is considered just as much—indeed more—of a salesman than the men under him. There is no problem in salesmanship that can possibly come up in a territory that the salesman can not get solved by the manager. There is nothing that nerves a salesman up for accurate, painstaking, intense work, more than to know that the man from whom he is taking orders ranks him in the knowledge of which he himself is an exponent.

Now and then a business comes to the front without an organized means of selling, but it is rare indeed that this happens. And it is no unsuggestive coincidence that the most successful businesses of the day organize, drill, and school their salesmen with the greatest thoroughness possible.

The methods of the National Cash Register Company have become classic in the annals of salesmanship. To take the inexperienced man, educate him, drill him relentlessly in a school more severe than that of experience and cause him to make himself a success, is an accomplishment full of inspiration and suggestion to the progressive sales manager.

More difficult, in a way, has been the building up of a sales force for a large New York magazine. This force employs thousands of agents. The unique feature of its agency campaign is the fact that each agent receives correspondence instruction in salesmanship. These instructions cover the basic principles of salesmanship, which are the same in all lines, the technical methods employed in magazine salesmanship, and the general inspirational

matter which keeps the men up and going. The aim of the management—and what is actually carried out—is to instruct the salesman just as thoroughly as though he were actually in the presence of his instructor. That this is successfully done is shown by the fact that of all the prominent American competitors that have tried to build up a successful agency force, this magazine is one of perhaps five that have overcome the difficulties.

The exact method by which this has been effected has been through the correspondence course in magazine salesmanship already referred to, rounded out by a considerable amount of supplementary literary matter, such as "Stray Hints, a periodical of inspiration, progress and self-help," listing the leading solicitors, giving the name, number of subscriptions, gain or loss over previous record, and inspirational comments on the standing of competitors. Reports in detail to the home office give a chance to encourage, instruct, and enthuse the solicitor.

**E**NCOURAGEMENT *put on paper by an experienced salesman who can write well is of great value to the field man when it follows these specific lines*

One of the modern methods that may or may not smack of actual experience, is the administration of sales **forcés** by the tabloid process. The boys out on the road now often receive, in place of specific instructions, the "gingerism" of a well written talk by some master of the salesman's craft, who is able to place what he knows upon paper. This is true tabloid salesmanship when it deals with the principles of the art and makes specific application, but when it merely relates a number of well worn truths in regard to selling, it borders closely on mere observation. It is an easy matter for a trainer to say to his man, "Hit him hard; go in and win," but it

is another thing to tell specifically how to deliver a blow so as to add to its power.

Instruction for retail salespeople has run in an unorganized way for a number of years. This is usually in the form of an instruction book giving the rules of the store, general conduct, regulations for the employee on duty, and sometimes a few elementary principles of salesmanship. Today there are an increasing number of stores conducting live schools for their salespeople, and of these schools that for the Wanamaker sales force is typical, being designed for all employees of the institution whom a knowledge of selling will benefit. The underlying principles of selling are impressed upon the employee student and the particular features of the store as a selling organization strongly dwelt upon.

These examples show that scientific training is fast becoming recognized as the only sure means of increasing the efficiency of the sales force, whatever the numerical strength of that force may be. The successful sales managers have always been those who could tell the "how" and the "why" of salesmanship. It is not difficult to call the other kind of sales manager to mind—the kind of man who says to the salesman about to take his first trip, "You will meet difficulties in selling our line, but you must work out your own salvation. Now, there's Morse, for instance. Morse's sales last week were some twenty thousand—and his expense book, by the way, was low, very low," and so on. Contrast him with the sales manager who has the details of the field at his fingers' ends, who recognizes intuitively what each man under him needs and supplies that need. This manager has the methods of science; and unscientific ways must always go down before scientific methods.

So it is that history accomplishes its eternal repetition.

Each science passes through stages of formation and growth, always starting as unclassified knowledge, which later gives way to systematic classification and logical arrangement. The methods of science are efficient because they are natural, and the methods of nature are the ones that win.



**TO GET** closer to the retailer—that is the constant aim of the wholesaler and the manufacturer. To learn his difficulties and help him master them; to see with him his opportunities and help him take advantage of them; to help him build new business where it had not existed before. In short, to construct, between house and dealer, this connecting link called cooperation and to compel the dealer to feel that in this cooperation lies his own success.

And these negotiations, which should lead ultimately to the enrollment of the dealer as a regular buyer, can be conducted best through but one medium, the ambassador of business—the traveling salesman. He learns first-hand the condition of the dealer's business, his needs, his specific trade trouble. Knowing these he is in a position to assume the role of a business doctor and prescribe for the retailer's ills. In fact, the salesman who sells long to the general trade, is not only a salesman, but he becomes virtually a retailer as well. He may never have taken an inventory or sold a dollar's worth of merchandise to the consumer, but he understands the game and he understands it from the retailer's standpoint.

—William F. Hypes

Sales Manager, Marshall Field and Company



## XVIII

# PERSONALITY IN SELLING

By Alexander H. Revell  
President, A. H. Revell and Company

**W**HEN you want a thing badly, talk to your man face to face. Look him in the eye and tell him what you want and why you want it. And do it at an opportune time. To attract and to hold the attention of your listener is the first qualification of a man who is presenting a business proposition.

I believe that personality is largely a matter of cultivation. A man may have certain abilities and characteristics which are useless because he has not trained them to work for him. From a business standpoint personality may be analyzed into units, and each unit developed. Any man who can train one of his characteristics—and few of us can not—can train the others, and the same principles that apply to one apply to all.

Some people complain that recipes for the cultivation of personality—like recipes for success—include generalities. But generalities are exactly what the recipe calls for. Apply generalities to your own specific case and you will get results. To resolve personality—in a business sense—into component parts, I should name:

Knowledge of business.

Dress.

Tact.

Enthusiasm.

Under tact I include intelligence, reserve, and all other qualities that enable a man to adapt himself to circumstances. From the moment a man enters the office until he closes the door at leave-taking, tact is winning or losing for him. He may not know it—his listener may not know it. Tact would defeat its own purpose if it appeared to be conscious of itself.

To be most effective, tact should be used before the interview is secured. The man with a business proposition should have a definite line of procedure mapped out before he sees his man. His line of argument must be based upon a knowledge of the man and of his business in relation to the interviewer's own proposition.

**M**AKE close connections with the interests of your prospect by analyzing points which enable you to use to advantage his first negative attitude.

The first aim in every proposition is to make close connections with the interests of the man you approach and to make them quickly. At first his mental attitude toward you is negative, or at least indifferent. You must make this negative a positive in your favor.

In reality the man you approach has the superior position, because you are coming to him. Reverse this relation. You can do much to make this man come to you if you know enough about him. You must show him that you have come to offer an opportunity and not to ask a favor. It is sometimes possible to ask nothing at all, but merely to state your proposition and then set yourself to answering objections and setting forth the advantages that you believe will appeal to a man in his position.

Go into a man's office with something to say. Say it—and then stop. Beginning before you know what you

want to say, and keeping on after you have said it, is losing both for your time and your proposition. Talk just enough to keep the conversation alive and no more. Make your sentences in the office the shortest possible distance between two facts. Remember that when a man's listening he is not telling on himself, but flattering the man who is.

It does not take talk in quantity to impress your listener that you know your business. It is the quality of talk that counts. When a man knows what he is doing, he doesn't have to explain to people that he knows. It is not what a man knows, but what he thinks he knows, that makes him talk too much. Do not grovel for business; you lower yourself and give your listener the whip hand. But don't stand so high on your dignity that you can't see your listener when he's reaching for you. Remember, that "a real salesman is one part talk and nine parts judgment; and he uses the nine parts of judgment to tell when to use the one part talk." Be straightforward in your manner. Frankness begets frankness. Many otherwise honest men talk in a dishonest way merely because they think they are meeting the dishonesty of the other fellow. Make a man honest with you by being honest with him, but under no circumstances let him make you dishonest.

Stick close to your subject. Most men are busy and have other propositions to consider besides yours. If you know your man, and the opportunity offers, it is wise occasionally to digress with a personal remark or an anecdote. Some of the enthusiasm he feels while talking on a pet theme may be deflected your way, and may help you to win his interested attention. But you should assume that your listener is more interested in making money from you than in making a companion of you.

Enthusiasm is the proof that a man believes in himself. And the man who believes in himself is the man who makes others believe in him. Enthusiasm is the proof that a man really believes he has something to offer—something that will help his hearer and himself. Enthusiasm attracts. It is contagious, and when backed up with business knowledge, it convinces. As Emerson says, "Nothing great was ever achieved without enthusiasm."

A special knowledge of a man's business is the most direct way to hold his interest. Such a knowledge shows him that you are in a position to talk intelligently, and is a stepping stone to his confidence.

A man who goes into an office should know something of the aims and methods of the man behind the desk. He must be able to consider the proposition from his viewpoint, to understand his attitude toward his own business and toward his competitors. Then when he talks you will be better able to interest his motives, to find out why he takes the course he does, and to discover how you may deflect this course to your advantage.

*YOU can not discover a man's thoughts and feelings until he begins talking and to get him talking you use knowledge selected from definite sources.*

You can not find out a man's attitude until you get him to talk, and you can not get him to talk until you show him that you have a definite idea of the value of your proposition to his business. If your knowledge of his affairs is accurate, you can make statements that will lead him to ask questions. At this point you are making progress, for you are given an opportunity to know his objections and to repel attacks on the validity of your arguments.

To make a man ask the questions you want him to ask

is a triumph. When you have fairly answered a man's objections you have taken the ground from under his feet, and placed it under your own. Notice, also, how much stronger your point is if you can induce the man to make the objection you are waiting to answer, instead of forcing you to answer the objection before it is made.

A half-knowledge of your subject is better than no knowledge, but it is often the other half that you want the most. What you know weighs a pound and what the other fellow knows weighs two. And it generally takes coaxing to make them balance.

A man who enters a business office to present a proposition is generally sized up at a glance. And, excepting his face and hands, his clothes are about the only points the observer has to figure on until he begins to talk. The "apparel oft proclaims the man," and the saner his dress, the saner its wearer is likely to be and the more confidence he will inspire. A man's clothes go a long way toward helping the people he meets to classify him. This classification may be unconscious. At first glance you may not figure out that because a man wears a black frock coat, straw hat and a checkered shirt, he does not know his business. The chances are he has not learned to adjust himself to his environment. And a man who can not adjust himself is seldom a good business man. I once heard a college president say that a gentleman never dresses to attract attention. And the salesman who calls attention to his clothes is generally distracting attention from the man inside them.

I know a man who always dressed so faultlessly that it took him a long time and cost him a lot of money to get a job. Nobody thought they could afford to pay him the salary his clothes demanded. And I know men who have ability, but are so thoughtless about their appearance

that employers have no confidence in their carefulness or taste.

A man who enters the office with a sack coat on his back, a silk hat on his head and a cigar in his mouth, is not a normal man. He hasn't observed the fundamentals of dress. The chances are that he has not associated with men who have. A man is known by the company he keeps, and his clothes reflect the tastes of his friends. A salesman who has not associated in business with people of the caliber of the man to whom he is offering a proposition can not be assumed able to place himself in the other's position and see the situation from his viewpoint. It is the normal dress that proclaims the normal man. And he is the safest kind to handle a business proposition.

A business man is inclined to listen to some one who appears to be prosperous. It gives him confidence in his abilities. But prosperity is more often shown in neatness than in style. When one man out of ten estimates a man's character by his clothes, it is just as well to put up a good appearance. Appearances are deceitful, but the man who makes them count for him instead of against him is the man who can show the bright side of a business proposition.



**T**HE half-way salesmen—those who do their work listlessly or incompletely—make the misanthropes and the pessimists, because the character of the work they do makes failure a foregone conclusion, or at least precludes any hope of marked success.

—William A. Field

Superintendent, South Chicago Works, Illinois Steel Company

## XIX

# USING COÖPERATION TO BUILD SALESPEOPLE

By Frank M. Low  
President, Frank M. Low and Company

**Y**EARS ago a young man selling goods over the counter in a small New England city was taken with the "in-business-for-myself" fever. Personal ambition, originality and daring spurred his energy. He wanted to have his name over the door of a progressive establishment.

He discussed the matter with his father, who had himself been in the clothing business. The older man was not sanguine, but persuasion finally secured a loan of three thousand dollars with which to finance a beginning. The son borrowed the money on a strictly business basis and gave his notes to his father as to a bank.

The new store threw open its doors in a section of the city now chiefly a wholesale center. For seven years it made its bid for customers; and then its young owner sold out.

"I tell you I made a great fortune in those seven years," he says as he recalls the experience. "Not in money—although I did manage to pay back dollar for dollar what I had borrowed from my father—but in experience. When I closed the store I had \$3,700 to show for my seven years. I certainly had not scored a financial success—but I had found the cause of my failure. So it was probably worth while after all.

"I discovered that I had not been sufficiently progressive—had not got out of the beaten path. I don't count that period a part of my real business career; it was a sort of training school. My father had been the chief instructor and his advice my text book, though I frequently made advances on my own ideas."

Armed with his experience, the young man started a new store and the real years of business building began. The father advised against further adventures in retailing, but the son felt that the "training" years had made him capable. He had found his faults. He had confidence that he could step again into the arena of business and win.

*ONE assistant and the owner opened this Portland store in a cramped room, twenty-five by thirty—today there are twenty salesmen on the busy floors.*

So he opened the second store—"a single cramped room, twenty-five by thirty," he describes it, "with some clothing, but mostly palms, on the counters." He had spent so much on advertising his "grand opening" that there was not enough capital left to put in a suitable stock. The owner and one assistant handled the trade that opening day: today twenty men are on the selling floors. This remarkable success he assigns to personality. He is a man who has that rare characteristic which puts personality into employees and even into the store.

"Do you believe that personality is an effective part of your retailing?" a business friend asked him.

"Believe it is?" was the prompt reply. "Why I believe it is the key-stone—the foremost essential. It is the element that puts effective life into an organization and holds it at its best. It secures a loyalty from the



men of the organization which insures success. It secures the confidence of customers and returns for it satisfaction which pulls purchasers to you much as a magnet pulls bits of steel.

"Take away this personal interest, and there probably would be lack of organization—of efficient, capable, dependable organization—here in my store today. I have always believed in young men. The young man of proper personality—there it is again—can best be turned into the particular type of salesman or employee required by your business. He has the ability to fit in where placed.

"From the outset, as business increased, I picked my employees carefully. Having found the right man, I made it my business to give him as much personal attention as possible; to train him in the methods which observation and experience have taught me bring best results. Knowledge of business is an absolute essential to the head of any enterprise. This knowledge of business is as essential, within limits, to the clerk as it is to the man in the chief executive's office. No employee can know too much about the business.

"For that reason I make it a point to encourage each man's particular bent. I urge him to read trade papers and business magazines and invite him to closely study every detail of my business methods. Some men are afraid their employees will know too much about the business, but I cannot see it that way. The more my men know about the business the more valuable they are to me."

The growth of his business forced on the young merchant the problems of increased floor space and more employees, but he clung to the original nucleus of his organization, merely expanding it to meet conditions. He believed in personal organization, sound, time-saving

and loyal. He cast about for ways and means to stimulate his men to their utmost all the time. He desired to prove in a material way—aside from mere words—his appreciation of the loyalty and energy of those who had stood with him. Cooperation came almost before he knew it.

“My success was small compared to that of other great enterprises,” he says. “But it was large and almost world-encompassing to me, and it was a source of satisfaction to the men who had aided me with constancy and loyalty. So we had a dinner at my home. My four assistants—and that included the bundle boy—were my guests. In the napkin at each of these four places I put a ten-dollar gold piece.

**D***INNER at the Low home for everybody in the shop, including the bundle boy, and ten dollars under each napkin, decided this successful store policy.*

“That dinner brought to the surface such marked evidences of mutual interest that a similar gathering at the close of each business year has become a custom with me. At the end of the second year I had seven assistants at my table, and they sat down to dinner with their wives and ‘best girls’ as additional guests. And I was able to declare a larger ‘dividend.’ The following year I gave a little celebration at a suburban park. On the fourth anniversary I closed the store and took the entire force—then grown to ten—to a city two hundred miles away. There I gave them a banquet and an evening at the theatre. The fifth ‘annual,’ with the store again closed, included an excursion to a Canadian resort. There were twenty-four in that party. These early gatherings are typical of those we have every year.”

The retailer’s dividends have increased from year to

year until now about one thousand dollars are distributed on the anniversary days. It became necessary for him to allot this money according to fixed rules. He did not want to base each man's bonus on a percentage of sales, because he did not like to tempt his salesmen to force stock upon customers.

"I do not want a single customer dissatisfied in any way," he says. "I want his wishes, and not the wishes of the salesman, to control the transaction. Therefore, I now give employees ten dollars for each year they have been connected with me. Those who have been in the store nine years receive ninety dollars each at the dinner; those who have been here seven years receive seventy dollars, and so on. I give my manager a percentage each year on the increase shown. It is but right and just for me to do this for he stood at my elbow during the first years when a mis-step might have invited failure. At the opening of each year he and I canvass conditions and plan to bend every effort toward securing a volume of increase upon which we agree. If this estimate is realized, or whatever may be the advances secured, he receives a percentage on the results.

"And the result of this profit-sharing plan?" he was asked.

"The result has been constant loyalty and earnestness of effort from every member of my organization. Each man holds as much interest in my success as if he owned the business. He speaks of the establishment as 'our house.' He champions my business wherever he may be. He is a trusted, dependable friend, as well as a paid employee.

"I firmly believe in encouraging the employees in a way that counts. Words of praise may be all right, but it is better to add some tangible proof of appreciation,

for talk is sometimes cheap. A material spur develops an individual. It germinates ideas and fosters personality. It holds good men who have been trained by experience to meet most effectively the exact requirements of the business.

"In order that there may be system to my efforts, I have a minimum wage rule. I start every man who joins me at ten dollars a week. Then, as he merits it, I allow salary increases once, twice or even three times a year—in fact, just as often as the raises are deserved. I want a man to secure an increase as often as he can.

"But if he does not earn it?" he was asked.

"Then I don't want him in my business," was the quick reply. "A man who can not show that he deserves one or more salary increases in the first year is not the man for me in my business. I tell him so. I want men of individuality. My aim has been to secure and hold an atmosphere of personality—personal interest—in every department of the store. A business establishment radiates distinctiveness and personality as emphatically as the individual. It is that indescribable something which grips the customer as soon as he enters the door and causes him to say to himself, 'I want to buy here.'

*"LACK of interest chills you the minute you enter some retail stores—Low tells how he avoided this and gave his shop an atmosphere of cheerful cooperation."*

"You have gone into stores where at the door you get an impression of coldness and lack of interest. That is lack of personality. It points the absence of an important element that makes for business success. I don't mean to set myself up as a dictator of business maxims," he added hastily, smiling, "but am merely stating things as they appear to me from actual contact."

Enthusiasm among the selling force is kept at a high pitch all the time in this store. There is another factor in its conduct which makes for unity of action and a reduction of friction to the minimum. The owner writes bulletins at intervals. When posted on a board out of public view they serve to keep his entire force "keyed up." They also form a sort of clearing house of instruction and direction. This is a typical bulletin:

*Low believes in contests among his salesmen. The winners are named in the bulletins and receive attractive prizes. The salesmen are organized into a club which meets frequently to discuss selling subjects.*

SALESMEN'S BULLETIN NO. 25: The shoe contest for the month of May was won by Mr. Harrison, with Mr. Hendricks a close second.

Owing to the Saturday rush of work in the tailor shop, salesmen will not promise work to be delivered on Friday or Saturday.

Inside prices will be made to salesmen on all apparel for personal wear, but no deviation or discounts will be allowed on goods intended for relatives, no matter how close of kin.

Salesmen will kindly keep their Saturday supper time within the bounds of thirty minutes.

Make up your minds to have record breaking sales books for June - everybody strive for a new high record.

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In this bulletin the retailer sets the pace toward a definite gain and urges his salesmen to profit by the current trade magazines:

*Low talks to his salesmen through bulletins. Here he uses a straight-forward statement of the gain he expects, and so interests his command in keeping busy on the main floor.*

SALESMEN'S BULLETIN NO. 10: It is important for you to know and to understand that this is our haying season - that this is the time of the year when we get our hay in: spend every minute you can from 7:30 A. M. to 6:30 P. M. on the main floor making hay, looking for a customer, and don't leave the floor - hang to it, and leave it only when necessary. I am with you for one big, long, strong pull, altogether for a ten per cent increase in sales this year.

Trade magazines of all kinds are on Mr. Emerson's desk and they are yours for the taking, to spend an evening or two with, and then return so as to give the other fellow a chance.

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The enthusiasm, unity of effort, earnestness and loyalty which cooperation has aroused in this organization is responsible for another essential to good retailing found there—satisfying the customer. That this is the

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*This bulletin to the salesmen in a New England store strengthens a request for increased sales by promising to raise wages. The writer finds his profits are benefited if hearty appreciation is shown for good work.*

*By telling salespeople the goal you plan to reach, you give them a reason for doing their best.*

SALESMEN'S BULLETIN NO. 18: I want to take this opportunity of complimenting you all on the interest you have taken in your work. It is very gratifying to me to see everybody fill his place in the painstaking manner which you have shown. As my present store force now stands I would not desire to see a change of any kind.

It is my ambition to make a twenty per cent gain this year and I hope with your interest and cooperation to be able to do so. It will require work on our part, but a pull altogether and I feel that it can be accomplished. To a conscientious merchant the most perplexing question is that of clerks. To have you all feel satisfied is no mean task to set before me. It is always my desire to advance your interests with my own. So it is as the store advances every man here will advance.

March is considered a quiet month, but when we pass it, beginning with Saturday, April 5, everybody in my employ (with the exception of the bushelling department) will receive an advance in salary.

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aim of the owner of this store is shown by his statement that he desires "no sale forced on the customers' pocket-books—only what customers really desire to buy." No attempt is made to force goods on a purchaser. The buyer who purchases a ten cent collar button is accorded the same patient, careful attention which meets the customer who buys a fifty dollar overcoat.

"To secure universal satisfaction," says the owner, "we let each customer adjust his own complaint. If he complains that a garment has not given the proper wear, I always make it a point to let him decide what he wants us to do. Sometimes we are imposed upon; others are too modest in their claims and under-estimate what should be done for them. This method may cost something, but

it pays much more. It satisfies the customer and makes of him a walking advertisement of the integrity and honesty of my store. A good portion of my business growth has been possible because we have made it an unvarying rule from the start to endeavor to the utmost to satisfy every one who deals with us. This promotes unquestioned loyalty among my buying clientele. Each purchaser stands on the same plane. There is no discrimination, no favoritism. I make one price to all. Formerly we made a discount to the clergy. It is surprising how rapidly and how widely reports of square dealing and attempts at fairness to all circulate.

*LOW goes back of his salesmen's daily work in the store, back even of their home life, to help his customers secure satisfaction and cheerful attention*

"It is because of this desire to secure satisfaction for my customers that I have given so much attention to the personality of my sales force. I want my men to live wisely. I encourage them to save their money. The little bonus we divide each year has often been the starting point of their savings. I want my men to maintain good habits. I laughingly tell them that I will do the 'sporting' for the firm and that it would be best for them to attend to the business. And they do. I want my men to succeed and feel that they are successes. I believe I would loan any one of them money to start in business for himself, even if he opened his establishment next door to mine.

"So I believe personal interest has been an important influence in building up my organization. This is business, shorn possibly of some selfishness. It is good business. For satisfied, contented salesmen invariably make satisfied and contented customers."

"And I get satisfaction for the store along with the good treatment which the customers receive. Therefore, I keep hammering away at the men's personalities. I buy the latest books on the market about merchandising and salesmanship. These are handed from man to man for home or spare time reading. As each man finishes a book, he signs his name on the fly leaf. When it gets back to the office, I know that every man on the floor is willing to go on record in black and white as having read the book. I would very much rather see a man reading a good book on selling during moments when he has nothing to keep him busy, than doing a good many other things of which I know. Then at some of our meetings we talk over the books and find out just how much good they have done us.

"But you sell no goods yourself," was suggested.

"No, I haven't sold goods on the floor for five years," replied the merchant. "I'll tell you why. Many merchants—I mean the smaller retailers, for I am not talking about large establishments like those of Marshall Field or John Wanamaker—do themselves positive harm by sticking too long to the duties of a general salesman. Their old customers and personal friends come to think that they can only satisfactorily trade with them and with no one else. This is the case whether a necktie or a collar or an overcoat is wanted. They desire to have the head of the store wait on them. Before he knows it, he is doing about seven-eighths of the selling and losing valuable time that rightly belongs to the executive end of his business. He probably winds up a nervous wreck.

"I believe in a sales organization capable of handling the selling of goods effectively, and one so dependable that the head of the firm need not be with it every moment. I know it is difficult to break a practice which



has held for years. I found it hard to break away myself. Finally I took every personal friend or old customer who asked for me to the salesman in charge of the particular department sought. "This actually increased my trade, for those in this class of customers soon began to buy of the first salesman they encountered without waiting for me or leaving the store if I was absent or engaged. It also gave the salesmen evidence of my confidence in their ability. And it gave me more time for executive work."



**T**HE merchant's firm name is the foundation for his prestige. That cannot be trade-marked; but indirectly he can make it an even greater business asset than a trade-mark by making it stand for service—quality in goods and accommodation. Service will be the trade-mark giving his firm name a meaning.

*A manufacturer, wholesaler, retailer, can so impress upon the buying public the actuality of efficient service he gives that his name and fine service will become generally synonymous.*

—Alexander H. Revell

President, A. H. Revell & Company

## PART IV—BUILDING UP ROAD AND RETAIL TRADE

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### *In the Customer's Place*

PERSONALLY I do not like to buy anything except from a one-price house, with the price marked on the goods.

There is not an article that I personally may want to buy but that the dealer in it is expert and keen as to its real value. The average layman in the very nature of things cannot know these values. He is not an expert. It is not his special business.

Every single individual consumer practically is in my exact position. Who, let me ask, is the one likely to get stuck in a horse trade? Will it be the horse dealer or the average purchaser?

Business men are more and more "putting themselves in their customers' places" and trying to treat them as they would like themselves to be treated, were conditions reversed.

That is the Golden Rule of business.



HENRY B. JOY

*President, Packard Motor Car Company*

## SELLING FOR FUTURE BUSINESS

By H. Wentworth James

ONE summer a wholesale house sent a new salesman with a star record into a territory that had previously produced only a fair amount of business. He said he knew the district had business in it, and that he could make it produce. He made a clean sweep of the territory—booked orders in rapid succession; orders from friendly concerns, orders from lukewarm firms, and orders from houses which had previously displayed nothing but set hostility. Day by day his orders brought glowing commendations from the home office, and not only praise but more substantial recognition. His record was held up before the other salesmen as a spur to greater efforts.

But when the young salesman had swung around his route and returned home, his welcome was by no means as enthusiastic as he had anticipated. For complaints had preceded him; already goods were being returned; letters were reaching the firm from concerns that had a multitude of grievances, about which they wrote in no measured terms.

The salesman had gone out for orders—orders at any price. To secure these orders he had made, either by direct promise or ingenious inference, promises which were directly contrary to the rules of the house. In a word, he was prepared to buy business if he could not

obtain it by legitimate persuasion. For he wanted to make a record. The result was that the "clean up" of this district demanded more time and money than the business was worth, to say nothing of the grave damage the firm's prestige suffered. This "star" salesman is now held up to employees as a bad example.

Salesmanship does not begin or end with the simple selling of an article. If it did, good salesmen would not be so scarce. Many factors enter into a real sale. Most important, the interests of the salesman, the house and the buyer should be identical.

The clear cut sale will have a good come-back for every one. It will give the buyer satisfaction, bring the seller a profit, and become an asset to the firm as a puller of future business.

*SELLING for the future and for re-orders is a knack which acts for your sales book like compound interest does for a bank account—always doing good.*

There is a constant temptation, especially to young salesmen, to depart from this principle. It is hard to lose an order in these competitive days; it is hard to believe that it is a better policy to sacrifice orders involving questionable promises and special dispensations. But this is the truth, and the first class salesman knows it, because he has proved it.

A salesman with an office appliance was asked for a guarantee, and in his anxiety to clinch the order he gave his word that the device would be as good as new in ten years' time. But after three years of hard service it had to be overhauled and repaired. The customer refused to pay for this work and quoted the guarantee. The house ultimately lost the business of the firm through the recklessness of its representative.

Not the least necessity existed for giving this extravagant assurance. The salesman, had he possessed good judgment, would have demonstrated the durability of his appliance to the satisfaction of his customer without departing from strict accuracy. And if he had done so, the salesman and the house would have secured a permanent account.

Thousands of dollars are lost annually by the inexcusable haste of the salesmen to snatch the passing profit, forgetful of the costly mortgage which they give on the future. There are many firms which could increase sales if they would prohibit these penny wise and pound foolish practices. Orders secured by rash promises are not indications of prosperity, but menaces to future prosperity.

No business factor illustrates this fact better than discount. It is human nature to ask for a larger discount than your neighbors. Many a salesman has "queered" himself by pandering to this natural desire. The price-cutter carries a sharp weapon, but often ends by using it until he has slashed the ground from under his own feet.

Suppose Hamilton buys at a discount of ten per cent and that Andrews (Hamilton's neighbor) drives a better bargain and obtains fifteen. It is almost inevitable that sooner or later Hamilton will learn that Andrews has secured a better price. Then one of two things occurs. The firm will probably lose Hamilton's business; or at least he will want Andrews' discount on future transactions.

The evil of the practice does not stop there, for the discount habit is like the vicious use of morphine. The buyer who has been content with fifteen per cent will squeeze next time for an extra five, or an equivalent.

The man of experience knows that the list price is flexible and naturally asks himself whether he has exacted the salesman's limit. The salesman may protest that the limit has been reached, but why should he be believed?

"I dare say you'll be surprised," said a prospective customer facing this situation, "to hear that Brown and Black are quoting me fifteen per cent discount on the same article."

"I am very much surprised," frankly replied the salesman. "In the first place I am surprised to learn that Brown and Black can produce an article equal to ours and secondly I am surprised that they haven't made you a better offer." This closed the price discussion and incidentally closed the sale.

Then there is the salesman who feels it necessary to throw in some extra inducement in making a sale, apart from the value of the article. Premiums are offered and presents made to influence trade. These methods are prohibited by the better class of houses. The true salesman bases his "talk" on the merits of his proposition; he tries to sell by conviction and not by inducements of uncertain worth.

**R**ECORD sales were secured by this salesman breaking in a new territory, but a competitor who followed his route profited more than he did in the long run.

A salesman set out to break in a new territory for a wholesale china house and landed a large order by quoting a special discount of ten per cent on a staple line of ware that sold everywhere at \$2.50. "The price on staple china is so uniform that the purchaser jumped at the chance to get this special price and in appreciation placed an order for additional articles. A few months later a salesman for a rival firm, who had sold this purchaser for

years, refused to meet the cut price. "You know that the standard price on that ware is \$2.50," he explained. "If that salesman cut ten per cent off this staple line, he tacked it onto something else that you ordered. We don't do business that way. We have a definite profit that we add to every line; we make the same price to every one and never juggle the figures."

The purchaser declined to give him an order, but after thinking it over for a day or two was convinced that the argument was logical. He decided he had paid that ten per cent somewhere in the bill. Result? The cut price salesman never secured another order. His rival got the business thereafter at prices he refused to shave.

The price bogey is forever frightening the weak-kneed salesman, while for the efficient man it has few terrors. He understands that it is human nature to want concessions; he expects requests for special prices as a matter of form.

The spirit of salesmanship cannot be measured in casual figures. A "brilliant" salesman may be getting his orders at the cost of future goodwill, while the sound man, with a far less showy record over the short run, may be reaping and sowing at the same time.

Every successful firm has decided upon a policy and laid down certain rules for the proper conduct of business. These houses decide what concessions may be given and when; what guarantees may be made and under what circumstances. The principles of progressive concerns are alive to the importance of giving full value for every dollar received; they welcome the airing of the salesman's troubles and endeavor to square their rules with selling conditions—when possible without the sacrifice of the welfare of the business.

The sound salesman is in perfect agreement with these



policies. He makes friends of a large proportion of his customers, and his personality is to be reckoned with. He does well for himself and for the house.

The rough edge salesman is always "up against" the policy of his firm. He is always asking for rebates, allowances, free gifts, and concessions of every kind. His attitude demonstrates that he finds it difficult to sell the goods unless he offers the buyer "special" inducements. He may sell large orders, but he always leaves behind a trail of bitterness and disillusion. He is getting the business, but he is getting it on a precariously short lease and at a ruinous price.

**T**HE real estate salesman occupies a delicate middle ground between buyer and seller and must govern himself by well defined obligations to both sides of a sale. To do this successfully with a commodity which has no definite source of supply and no positive market, where every sale means the establishing of a new market value by bringing two differing minds to meet, the broker or auctioneer is particularly dependent on system and information. Inasmuch as values are entirely a matter of opinion, his information must be of such a character that it will help to make accurate decisions for himself and to create sound opinions in the minds of buyer and seller.

- Joseph P. Day

Former President, Real Estate Board of Brokers of New York

## XXI

# CAPACITY ORDERS THAT KEEP OUT COMPETITION

By William F. Hypes  
Sales Manager, Marshall Field and Company

WHEN a salesman has secured the confidence of his customers, when he feels that he has instilled the cooperative spirit which practically makes his buyer permanent, he faces another problem. It is no longer simply how he shall secure orders. We will presume that he has learned that by intimate knowledge of the man and ways to handle him. Neither is it purely a question of selling more goods. That end he has reached by aiding the retailer to build up his market and move goods more rapidly. He now wishes to accomplish an other object—to sell the dealer so closely to the limit of his needs that his demands will be completely provided for until the next visit.

In a Chicago garage which is made the starting place for many popular automobile runs to neighboring cities, there is a bulletin board of routes and distances. To this extent, I presume that the board is not unlike others. But this board goes one step further, for after the distance figures it gives the amount of gasoline required for the run in a forty horse power car. The bulletins read like this: Joliet and return, 80 miles, 7 gallons. South Bend and return, 226 miles, 19 gallons. Milwaukee and return, 180 miles, 15 gallons.

This board serves two purposes. First, it guards the

owner of the machine against running out of fuel. Secondly, and more important to the proprietor of the garage, it helps him to sell all the gasoline that the machine can possibly use on the trip.

Place the salesman's problem on the same basis. His aim is to sell the dealer all the goods he will possibly need until the next call. How shall he do it? By learning first of all the extent of that need. He must exercise his salesmanship in supplying it, but without knowledge of its extent he will have no opening for his skill. How shall he gain the information?

*SOLVING the problem of how to anticipate rivals and sell all the dealer will need until your next call will be easier if you study these situations.*

The garage proprietor has a simple task. He knows that the average forty horse power machine runs approximately twelve miles on a gallon of gasoline. The rest is purely a matter of multiplication. But the salesman's problem is one of endless complications. No two customers are exactly alike, no two stores carry exactly the same stock, in no two towns are buying conditions exactly parallel.

The salesman must study particular situations. He should know his buyer. He can observe also conditions of trade in his past orders and information obtained by questioning his customer—what goods show a strong local demand and what goods move slowly, what occupations or climatic conditions or nationalities determine local sales.

During a salesman's first visits to a customer, he can profitably take notes on the store and question the proprietor on the results of the special or seasonal sales he has held and the present condition of his stock. Supple-

mented by a duplicate file of orders, these notes will soon enable you to form a fairly accurate idea of the merchant's buying capacity.

In time the salesman understands so perfectly the business interests of each customer that he knows as well as the dealer himself what the store should need. I have known salesmen who could glance over their list of customers before starting on regular routes and predict almost to an item their orders. •

"There's Collins at Brighton," one of them would say, "keen as you'll find 'em; not long on talk, but knows his business, every item of it. He's been cleaning up his china stock on special sales and will be ready for a big order. He's getting low on enamel ware too and will be wanting to fill out his stock. Brighton is a college town and Collins will want to put in his annual supply of students' goods—pillows and pillow tops, pennants, posters and college novelties." He could enumerate Collins' detailed needs.

Though this intimate knowledge of buyers' needs is valuable, it does not sell the goods—it serves only to post the salesman on the possible market open. He has learned the total wants of his customer. If he is able to fill them he can place with the retailer a stock sufficient to meet all demands until he comes again—he can shut out competition.

At this point the salesman must constantly guard himself against a dangerous temptation—the temptation to oversell. Nothing so injures a house or a salesman with the retailer as loading him up with goods that he cannot move readily. Every merchant wants to keep his stock fresh, to turn it frequently. The article that goes through two annual inventories is pretty sure to get a black mark in the merchant's mind against the house

that sold it. The salesman should strike a balance and reach the always desirable happy medium. He should strive to sell enough to keep out competitors and yet not overstock. Knowing his buyer's needs before he approaches him, the salesman is in a position to make the bulk of the order taking comparatively easy. He is dealing with an old customer; he often asks only about quantity. He offers a suggestion here, a bit of advice there, calls the dealer's attention to a new line or novelty. He possibly adds a dozen or so to some orders on the buyer's second thoughts, and the ordering is completed.

But a salesman who is seeking to sell to the limit of a buyer's needs knows that odds and ends have been missed, that minor goods have been forgotten, that there are little shortages here and there, besides the want book's testimony. This salesman turns to the catalog index and with the dealer beside him, runs through it item by item from "aprons," "art goods" and "asbestos" to "yarns" and "yeast cakes."

**R**UNNING over the dealer's stock from "aprons" to "yeast cakes" is only one way of frequently doubling the order placed in the hotel sample room.

Time after time the mere mention of an article recalls a need to the merchant's mind or suggests investigations which reveal an unexpected shortage. I have known salesmen to take in this manner, orders which totaled nearly as much as the original bill sold in the hotel sample room. They supplied wants which, left unfilled, would have meant an opening for a competitor's initial order. It should be the salesman's constant aim to inspire in the customer real confidence in his house. The retailer should be assured that whatever his needs, the house will see that he is looked after.

To insure this dependency of the dealer upon his regular source of supply, the salesman can well keep in touch with his customer between calls. He may learn in this way that the representative of a competitor, carrying samples of a new line of goods, is covering the same route and will get to the customer a week before his call. Recognizing that the customer, if left to himself in the matter, may place an order with the competitor, as the only way to obtain the goods, the salesman can send the dealer a letter. He may write:

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*One salesman  
sends this letter to steady  
customers  
when rivals  
carry new  
lines into his  
territory dur-  
ing his absence*

Before I can get to see you, you will probably be urged to place your order for a line of pongee silk which promises to be extensively worn this season. I cannot urge you too strongly to delay your buying until you have seen the samples I shall bring you on the 25th.

We are filling every demand of our customers for styles in these goods, and you can depend on us taking care of you.

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There is one more point which no salesman can afford to overlook in handling his customer. He should be sure that every order he takes can be delivered. It is a comparatively short and simple task for a salesman to check up his "outs" every day, but failure to do it has cost many a man the confidence of a customer. When an order has been given in good faith, a partly filled bill with appended excuses in return warns the merchant against placing absolute dependence on a single house. The fault is usually the salesman's, if he sold merchandise which had been called "off sale."

A salesman for a Chicago house had been trying for two years to sell an initial bill of goods to a merchant at Cedar Rapids. He had failed to land the order because the dealer was buying almost exclusively from a

rival concern. It was a clear case of dependence on a single source of supply. One day the Chicago man found himself due for a three hour wait in Cedar Rapids and dropped around, largely as matter of habit, to see the long standing prospect. His surprise knew no bounds when the retailer called him into the office and gave him a large order.

"Five days ago," said the dealer, when the salesman had it all down, "I gave that same order to your rival on his word that it could all be delivered this morning. Instead I get a wire that three items I had depended on for today's trade are out of stock. I cancelled the whole bill by wire."

This single mistake lost the house a good customer. Let the salesman be perfectly frank in telling the dealer that certain goods are at the time unavailable. Another strand in the bond of cooperation which benefits both buyer and seller will result.



**I**N ITS best and broadest sense, merchandizing success means development for service.

*And this development for service in the world of selling is dependent upon the control of the powers within us, upon the systematic application of our abilities and our energies.*

*Our energies may be wasted and our genius misdirected unless we can guide them to definite ends, unless we can use our forces to get specific results.*

—John V. Farwell

Founder, John V. Farwell Company

## XXII

# HOW TO SELL SPECIALTIES

By A. L. McBain

**T**RAVELING salesmen may be broadly divided into two classes: those who sell staples and those who sell specialties. The salesman of staples has opposition in front of him that is both harder and easier than the specialty salesman's obstacles.

The specialty salesman usually handles a product which the people could do without. In case of hard times the luxuries—specialties—are first given up. In good or average times people will buy a large percentage of specialties if rightly approached.

But at any time, whether prevailing conditions be those of plenty or not, the specialty salesman probably must be a better exponent of salesmanship than the seller of staples. He must create his demand—not cater to a demand which already exists. He must get an audience when his proposition is an unknown quantity to the man he wishes to see. He must close a deal for something the customer knows can be done without.

To take up specifically the work that lies before a man who would sell the specialty trade, the steps in making a sale must be considered in their regular order. These steps are as follows:

- (1) The pre-approach.
- (2) The approach.



(3) The demonstration.

(4) The close.

The pre-approach is the groundwork upon which the salesman builds. It comprises all the information obtainable by him that will be of importance in making his approach. There is really no information about a man that is valueless in determining the method by which an approach should be made. A knowledge of one or two characteristics of the man to be approached, on the other hand, is sometimes sufficient, the ready intuition of the salesman being relied upon for the rest.

**W**HEN the prospect keeps you waiting outside his office door, think over this explanation of your situation in terms of pre-approach and approach.

Between the pre-approach and the actual approach sometimes lies a trying time for the salesman. It is no uncommon occurrence for a prospective customer to keep the salesman waiting, either outside the office door and out of sight, or inside in his presence. This is known as "breaking the salesman's nerve." It often has the effect of making the salesman nervous and consequently unable to make a good approach. One of the most common forms of this is for the prospective customer to appear busily interested in something and allow the salesman to stand an indefinite length of time. He then turns suddenly upon the salesman. This is especially disconcerting to a young man, but the experienced salesman recognizes it as an indication that either the man is extremely busy and actually hates to take his mind off his work, or that he is afraid of being talked into something that he will later regret. The wise salesman shapes his introduction accordingly. He is not disconcerted by any shammed industry, as it enables him to

study carefully the outward characteristics of the prospect.

The pre-approach ground work of information having been secured, the approach is made. By many it is believed to be the most difficult part of selling. "Give me a chance to make a good approach and I will close him off," is a stock expression with many expert "closers." It is assumed that a salesman in making the approach will be able to call his man by name, pronouncing the name correctly. This is a prime requisite and the remaining knowledge can be grouped about this in the order of its importance. Traveling men will call to mind a familiar scene—the "drummer," his note book and pencil in hand, interviewing the hotel clerk to find out the various characteristics of the man whom he is to call. Some men like to trust entirely to intuition and believe that information concerning a man is actually prejudicial. This is due to the fact that by working at some time on misinformation they have lost a sale.

From the first moment of the approach, the salesman's object is to secure a fair hearing in which to pave the way for his demonstration. Two factors—appearance and personality—will turn the tide for or against him.

It is remarkable that nearly every authority on salesmanship places these two factors as those of primary importance at this stage. Some even go so far as to enumerate what to avoid: unbrushed clothes, dirty linen, and unshined shoes. "Front" has this disadvantage, however—it is used by the fakir. The better salesman seeks not the unusual in dress, but the quality which bespeaks personality and worth.

Personality is the sum total of one's characteristics, and works strongly for or against the salesman. Personality may or may not be cultivated. The trouble about

cultivating a personality is that too many people do not know what to cultivate. It is not to be supposed that a man would let an offensive personality stand in his way if he recognized it. The man who has no ear for music often can not understand his deficiency. There are those who let an offensive personality dominate them to an extent that precludes the cultivation of a better.

But the salesman who is able to look back on the various steps of an unsuccessful attempt and ask himself, "The fault was mine; what defect in my personality was to blame?" and self-analytical enough to determine where he is short, is sure to improve.

**M**OVE by move, like the careful chess player's plan for his game, you can by these suggestions block out and schedule your approach to the prospect.

The procedure of the salesman when he is making his introduction and approach, may be compared to the moves in a game of chess. The introduction of the salesman is the first move; the reply is the counter-move of the opponent. Then comes the second move of the first player—the salesman—and it is on this second move that the entire success of the attempt hangs. On it hinges success or failure, for it may determine whether the salesman is going to have an interview, whether the interview will be successful or not, and whether or not the salesman has a chance of landing the prospect.

There is one thing certain. The customer is not going to commit himself in response to the first remark. He always holds a reserve. An objection—either express or implied—can be expected. It may vary from a general "busy" statement, or "not interested" in what is about to be submitted, or it may be a specific statement—even heated—that the one approached has no time for the

salesman or his house.

Herbalists hold that there is no disease or poison that can not be cured by some herb. It is true that there is hardly an objection that can be made but has the right answer. If the salesman does not instantly know what reply to make it is for him to look for that answer, to focus his education, experience and intuition on securing it. It can be learned and under similar circumstances again applied. In chess there is no move without a counter-move. If failure, why failure? and as important, if success, why success?

The third step in making a sale is the demonstration. It is here that the ordinary salesman finds himself upon sure ground. He has judged his man and knows his goods: all is clear sailing.

One of the old time salesmen, who sold in the Middle West, used as his motto: "I am here to do you good." He did not make his statement a generality. He got down to the vital facts which touched his customer. He demonstrated them to him. Personal demonstrations are the kind that make sales.

Lincoln learned early in the study of law that he did not know what it was to prove a thing. He tussled with the problems of Euclid until he satisfied himself that he understood absolutely what it meant to prove a proposition.

The salesman who determines with absolute accuracy what it means to prove a proposition and to apply the general principles of demonstration to an immediate matter in hand, knows how far to go in making his demonstration, what to include, and what to exclude. He can see in his mind's eye the chain of evidence he is fashioning and will make it exact, logical and convincing.

Exactness is needed to impart knowledge of the propo-

sition to the listener; the chain of demonstration must be logical if it is to lead from known facts to the conclusion which it is desired to establish. Exactness of statement in logical order can lead to but one result—conviction for the hearer.

A frequent demonstration mistake is not completely proving what you set out to prove. The demonstration must be shortened as much as possible, for time is usually a valuable element. It must not, however, be cut so short that the prospect will not thoroughly follow the demonstration. Often some simple connection in the various links will be slurred over because of its simplicity to the demonstrator, and the entire effect lost. For instance, in the explanation of the working drawings, it is often difficult for the prospect to understand facts which appear elementary to the salesman.

**D**EMONSTRATIONS *are more successful if made according to this plan, which provides for a steady advance from the easy to the difficult sales points.*

In a demonstration the wise salesman begins with the easy points and works to the hard. Here knowledge obtained in the pre-approach becomes of great value. He will not address an expert mechanic in the same terms as a man who may understand only that a machine is made up of wheels and cogs. A promoter accustomed to large financial transactions naturally does not call for the treatment given a man whose experience has been confined to sales over the counter.

The fact that you may encounter at any time those who are nearly as well posted on a subject as yourself, makes the selection of your style of demonstration important. There is nothing more disconcerting to an actor than to be prompted from the audience, and noth-

ing weakens the effect of a sales attempt more than to have the listener show a greater knowledge of a subject than the salesman. The chances of this happening may be lessened by avoiding general statements. The general statement is open to discussion, and discussion wastes energy. The specific statement is more convincing and leaves little chance for a digression.

After the demonstration comes the objective point toward which the salesman has been working—the close. The fact that unsuitable preliminaries—imperfect work in the approach and demonstration—often prevent a satisfactory close, probably explains why salesmen usually regard it as the most difficult part of a sale. Salesmen frequently say, “I can do anything except close.” It is as though a student should say, “I can do anything except pass my examinations. I understand my text books perfectly, my recitations are excellent, but I can not stand an examination.” The salesman places himself in the same light when he declares he can not close. Given a suitable proposition, an approach correctly made and a scientific demonstration—the close is nine times out of ten satisfactory. Much as a sound theorem in mathematics may be demonstrated from premise to solution, a problem in salesmanship may be demonstrated to its proper close. Not every problem in salesmanship, however, will receive a favorable answer. It is absolutely impossible to sell every man approached, but there is a certain ratio of prospects that may be sold. Keeping this ratio at a high point is good salesmanship.

When the close is made the customer should be left in the shortest time consistent with politeness. Having “talked a man into a sale,” you should be careful not to talk him out.

All salesmen require a constant fund of optimism.

No matter how good a proposition may be, no matter how well a salesman may demonstrate it, no matter what per cent of prospects eventually close, the boys with the grips must carry a complete line of optimism with their samples. Optimism says that tomorrow will be better than today. It is optimism that believes a present run of good luck will continue. It is optimism that polishes up the dark side when there is no bright side apparent.

More than all else the traveling salesman must love his work. The petty annoyances, the physical discomforts and the continual rebuffs the salesman experiences can not be paid in salary and expenses, or even in commissions, but must find compensation in the fascination of selling.



**T**HE matter of success should be put up to the pride of the individual. He should be made to understand that his development depends upon himself and the quality of his work. If a salesman can show an increase of three per cent in the sales of his territory or department in a given period he has proved his right to remain a part of the business organization however individual his methods for achieving these results.

Following out this same idea, I believe that too many instructions to salesmen are often fatal. Don't be too specific; such an attitude makes a man into a machine. When sending a man on a certain duty it is never best to say, "do exactly this," or "don't do that." The proper course is to say "go and look into this matter to the best of your ability."

—Richard W. Sears

Founder, Sears Roebuck & Company

## XXIII

# MAKING ONE STORE PURCHASE SELL ANOTHER

By George L. Louis

**D**URING a mid-winter sale a woman approached the silk-goods counter of a large department store. Seating herself, she drew a small sample of silk from her purse and asked the waiting clerk to match it for her in material of the same price. This was soon done.

"I'll take eight yards of it," she announced.

"Very well, madam," the clerk responded courteously, proceeding to unroll the bolt and measure off the cloth. To all appearance the transaction was closed. The purchaser turned half way around on her stool and watched the people in the aisles. Seven yards had been measured off; but before completing the eighth yard and cutting the silk, the clerk quietly pulled out another bolt of cloth from a near-by shelf, opened it sufficiently to make an attractive display and then laid it before the customer.

"Here's something we've just got in that's rather pretty," he remarked casually. The customer turned back to the counter and began examining the silk.

"Why, it's the very same color as my sample, isn't it?" she exclaimed, pleasantly surprised.

"Yes, but it is much heavier, and it has the mirrored surface," the clerk explained. "That's the latest effect, of course." Without further comment he picked up the original bolt and began remeasuring it.



"Just a moment, please; don't cut that yet," the customer requested, after intently inspecting the new cloth. She compared it with the silk she had ordered. She asked the price. It was seventy cents more per yard. Then she said: "I'll take this instead of the other."

This was subtle selling; no direct proffer of the higher priced silk had been made. The customer was not asked to buy. The presentation of the better grade silk was made a purely incidental part of the transaction between clerk and customer.

A little later in another department store where a less intelligent, lower salaried class of salespeople is employed, I lingered at the dress goods section for over an hour before I witnessed the contrasting episode for which I was seeking.

**C**LERKS *who handle customers in this way may cost you hundreds of dollars in lost sales unless you work with them and show them the right way to sell.*

Finally it happened. A woman who had been leisurely examining some dress material asked a clerk for technical information regarding it. She received her answer and continued her examination, the clerk leaving her to her own free will without further comment. Shortly she turned to the clerk again and announced that she wanted a certain yardage of the goods. Instead of complying with her request, he brought down other goods and started to argue its advantages over the material she intended to buy. It looked as if he was aiming for a "P. M."—extra money given for selling "slow" stock.

Three other higher priced fabrics were exhibited and exploited to the prospective customer. She expressed her preference for the material originally picked out and shook her head repeatedly as he tried to convince

her that he was showing her better goods. As a last effort the clerk turned to the shelf for another bolt, but was surprised to find the would-be customer making a hasty retreat.

Women seem to be more deft in the art of subtle selling than men. They have a knack of "showing things" without any evident intent of selling that is so appealing and forcible the shopper can not resist it.

Four women entered an exclusive shop in the select retail district of Chicago, where feminine finery and dress accessories are sold. Only one of the women was an intending purchaser; she had seen a lace collar displayed in the window and proposed to buy it. The other three simply accompanied her. She made known her desire to a clerk, who brought forth an assortment of lace collars for her selection. This was done despite the fact that the lace collar in the window was particularized and asked for. Instead of one customer examining one collar, all four were soon busily engaged in inspecting the assortment in front of them with exclamations of approval and delight as one dainty collar after another was held up and admired.

The finale of the saleswoman's method was that instead of selling the one lace collar which had been the instrument of the visit of the four women, and the price of which was six dollars, five collars in all were sold for forty dollars. The purchasers started for the door. But the clerk had not finished her work.

Apparently with the purpose of opening the door for the woman, the clerk led them to the exit. But as they reached the center of the room, she stopped and turned their attention to a show case containing a display of French novelty jewelry.

"These are just in from Paris," she remarked. "Mrs.

Charles (the proprietor's name) considers them the very finest novelties ever imported into the United States. Aren't they unique, and isn't this beautiful?" Opening the case, she took out a few of the hat pins, buckles and other wares. Within ten minutes almost every article in the case had been looked at and priced. Three of the women made purchases amounting to twenty-seven dollars. Total, sixty-seven dollars. Skill and diplomacy, without one word or even the faintest suggestion of an offer, had developed a six-dollar sale into one of sixty-seven dollars.

*A ANALYSIS of the subtle side of selling, this observant saleswoman explains, enables her to secure profits from sales for which the customer did not plan.*

Questioned in regard to her selling policy, the clerk said: "My experience is that women (and I suppose it is the same with men) come here to buy; they don't want to be sold. If I had shown just the one lace collar to that woman, that's all I should have sold her. Or if I had asked the four to look at and buy the collars I put before them, in all probability that is as far as I should have got. If I had said 'Here's something I'd like to sell you,' when I drew their attention to the jewelry novelties, they wouldn't have stopped for even a glance. When people buy, they want the satisfaction of feeling that they are getting something that they really desire. They get that feeling when you let them do the heavy work and you merely display or call their attention casually to the stuff you want them to buy."

"How do you handle the 'just-came-to-look' visitors?" she was asked.

"They are our best trade. They are the betwixt-and-between kind who want to buy but need a little sug-

gestive influence to make them good customers. Two ladies were here a few days ago who told me decisively that they only wished to look more closely at a beaded waist shown in the window. I took it out of the window and placed it before them. Then I brought out a pretty beaded neckpiece that matched. Next I showed them some imported beaded jewelry that would make an attractive contrast if worn with the waist, and followed with a new style of detached cuffs and a string of coral beads.

"Finally, I placed before them a photograph of a model in a costume very similar. They both became enthusiastic over it. The younger of the two was doing some pretty hard thinking, I could see. All this while, I had been putting in effective remarks about the distinctiveness and fashionableness of the outfit.

" 'I'm going to do it,' the younger woman announced, after they had exchanged comments in a low voice. 'How much does it all come to?' she asked me. I told her. And she bought it all. I had not urged her or asked her to buy in any way. If I had, I should undoubtedly have lost the sale."

In Toledo there is a corset shop which is owned and conducted by a clever business woman who attributes her success solely to indirect methods of selling. She has built up her trade in an odd way. She advertises only moderate priced models, but almost all of the corsets she sells are high priced. The lower priced styles are used mainly as "feeders."

"Price is the important approach with the average woman," she explains. "The class of women who are so wealthy that they can ignore price are too few to make a business profitable. Now, I advertise corsets to sell at two, three, four and five dollars. When they can

go to an exclusive shop like this and get models at such prices, plus the service I give, they gladly give me the preference over the department stores.

"They come to me, you see, primarily because they believe they can get more for their money here than elsewhere. A shop like mine can't exist on the small profit in a low priced corset. So I usually sell them a model that costs from twenty-five to one hundred per cent more than they originally intended to spend. Nor do I have to talk the higher priced corset to accomplish this. The corset they want at first receives most of the attention.

" 'This is an excellent corset,' I say, showing my customer the style suited to her figure and at the price she has named. 'It will give you a very fashionable figure effect.' I always go into details. I show her I believe in the model I am demonstrating. But I am careful not to bring the transaction to the closing point.

**C**USTOMERS *who come into this specialty shop for a low priced purchase usually leave with a sales slip for money spent on a more costly article.*

"Then, casually, I show her one of the more expensive corsets to prove how much of value the model she asked for really possesses. I dwell upon the merits of the lower priced style, but all the while she is contrasting it with the better grade model. When she begins to ask questions, I admit the vast difference between them and the far greater style, fit, comfort and service that the one offers over the other. But I never say a word against the cheaper one. In fact, my talk is centered upon the model she came in to buy. But she wants this less and less as the contrast between it and the others becomes impressed upon her. In nine instances out of ten I can sell the higher priced corset without doing anything.

more than skillfully contrasting the two grades."

Men are won by similar indirect methods. A man entered a tobacco store and asked for a mild cigar. After several different brands were shown him, he selected four of a kind with which he was familiar and paid fifty cents to the clerk:

"When you come in again, I want you to try one of these," the latter said, bringing another box out of the case. "They are mild, but just a bit stronger than the ones you've got. I think you'll like them."

"Let me have a couple of them now," the expected response came promptly. This clerk, using his own subtle methods, sells twice as many cigars as the next best salesman. Knowing his stock, knowing how each cigar compares with all the others, he is able to suggest one just as good, perhaps better, to transient customers. And transient trade pays the profits in his business.

"I don't suppose you would care to spend thirty dollars for a suit. I've got your exact size in an excellent suit made of that new gray striped material that I am sure you'll like." This was the remark of a clothing salesman to a customer who had been fitted in a suit costing twenty dollars and which he had decided to purchase. The customer resented the insinuation that he could not afford a thirty-dollar suit, asked to see it and, noting the pleasing style and appearance, bought it.

This is an instance of subtle selling despite the fact that its form is negative. The manager of this clothing store stated that twenty-five per cent of its sales of higher priced clothing are closed by negative suggestion.

Likewise the retailer who omits price announcements on the merchandise he displays in his windows, is using subtlety. The price attached to the article in the window in effect reads: "Here are our goods and here are our

prices." That is a direct offer, and unless the price is notably low, there's the end of it. Without the price label a possible desire can be aroused without the suggestion of buying which the price ticket signifies, and without the danger of frightening the possible buyer away. But both methods have merits—tickets belong in windows when the price is low enough to be a ruling attraction. Circumstances must decide.

Department stores in the large cities recognize the tremendous force of subtlety in selling. They induce men and women to visit their establishments for purposes wholly apart from buying. They spend thousands of dollars yearly for a purpose that has no apparent connection with selling goods. Their object is to get people into the store and surround them with subtle influences which will metamorphose visitors into customers.

They devote thousands of square feet of expensive floor space to beautifully equipped rest rooms, writing rooms, "silence rooms" with maids and trained nurses in attendance, theater ticket offices, check rooms and other similar conveniences, the privileges of which are extended to all visitors without charge. Thus the atmosphere of trade is removed and with it the defensive fortifications of the buyer. For the shopping, bargaining instinct is substituted a friendly confidence more valuable to the store than to have all visitors come with a definite purpose of purchasing.



**MAKE** those dealing with you feel that whatever you offer them is just as represented; not practically as represented, but exactly. There must be no working around a questionable point. It would be a short-lived success which you would gain by keeping silent when customers purchased goods unadvantageously.

—Phillip A. Conne

Secretary and Treasurer, Saks & Company















